

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT **APPLICATION FOR PERMIT TO DRILL**

<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>		<b>1. WELL NAME and NUMBER</b> Hoss 130-35	
<b>4. TYPE OF WELL</b> Gas Well Coalbed Methane Well: NO		<b>3. FIELD OR WILDCAT</b> NATURAL BUTTES	
<b>6. NAME OF OPERATOR</b> EOG Resources, Inc.		<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b>	
<b>8. ADDRESS OF OPERATOR</b> 1060 East Highway 40, Vernal, UT, 84078		<b>7. OPERATOR PHONE</b> 435 781-9111	
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> UTU76042		<b>9. OPERATOR E-MAIL</b> kaylene_gardner@eogresources.com	
<b>11. MINERAL OWNERSHIP</b> FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		<b>12. SURFACE OWNERSHIP</b> FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b>		<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>	
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b>		<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>	
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>		<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>	
<b>19. SLANT</b> VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>			
<b>20. LOCATION OF WELL</b>	<b>FOOTAGES</b>	<b>QTR-QTR</b>	<b>SECTION</b>
<b>LOCATION AT SURFACE</b>	696 FSL 737 FWL	SWSW	35
<b>Top of Uppermost Producing Zone</b>	696 FSL 737 FWL	SWSW	35
<b>At Total Depth</b>	696 FSL 737 FWL	SWSW	35
<b>21. COUNTY</b> UINTAH	<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 696	<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 1880	
	<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 1165	<b>26. PROPOSED DEPTH</b> MD: 9210 TVD: 9210	
<b>27. ELEVATION - GROUND LEVEL</b> 5032	<b>28. BOND NUMBER</b>	<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> 49-225	

**ATTACHMENTS**

**VERIFY THE FOLLOWING ARE ATTACHED IN ACCORCANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES**

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

<b>NAME</b> Mary Maestas	<b>TITLE</b> Regulatory Assistant	<b>PHONE</b> 303 824-5526
<b>SIGNATURE</b>	<b>DATE</b> 09/14/2009	<b>EMAIL</b> mary_maestas@eogresources.com
<b>API NUMBER ASSIGNED</b> 43047507080000	<b>APPROVAL</b>  Permit Manager	

**Proposed Hole, Casing, and Cement**

<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>		
Surf	12.25	9.625	0	2300		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade J-55 ST&C	2300	36.0			

**Proposed Hole, Casing, and Cement**

<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>		
Prod	7.875	4.5	0	9210		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade N-80 LT&C	9210	11.6			

**DRILLING PLAN**

**HOSS 130-35**

**SW/SW, SEC. 35, T8S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	1,991		Shale	
Mahogany Oil Shale Bed	2,637		Shale	
Wasatch	4,834	Primary	Sandstone	Gas
Chapita Wells	5,416	Primary	Sandstone	Gas
Buck Canyon	6,072	Primary	Sandstone	Gas
North Horn	6,606	Primary	Sandstone	Gas
KMV Price River	7,032	Primary	Sandstone	Gas
KMV Price River Middle	7,722	Primary	Sandstone	Gas
KMV Price River Lower	8,482	Primary	Sandstone	Gas
Sego	9,007		Sandstone	
<b>TD</b>	<b>9,210</b>			

**Estimated TD: 9,210' or 200'± below TD**

**Anticipated BHP: 5,029 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b>CASING</b>	<b>Hole Size</b>	<b>Length</b>	<b>Size</b>	<b>WEIGHT</b>	<b>Grade</b>	<b>Thread</b>	<b>Rating Collapse</b>	<b>Factor Burst</b>	<b>Tensile</b>
Conductor	20"	40 – 60'	14"	32.5#	A252			1880 PSI	10,000#
Surface	12 ¼"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

**Note:** 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

**All casing will be new or inspected.**

**DRILLING PLAN**

**HOSS 130-35**

**SW/SW, SEC. 35, T8S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe  
Insert Float Collar (PDC drillable)  
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 3rd joint to 400' above the top of primary objective. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):**

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Defloculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**DRILLING PLAN**

**HOSS 130-35**

**SW/SW, SEC. 35, T8S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 1  
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

**8. EVALUATION PROGRAM:**

**Cased-hole Logs:**

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**CBL/CCL/VDL/GR**

**DRILLING PLAN**

**HOSS 130-35**

**SW/SW, SEC. 35, T8S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead: 185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail: 207 sks** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead: 141 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail: 857 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**DRILLING PLAN**

**HOSS 130-35**

**SW/SW, SEC. 35, T8S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

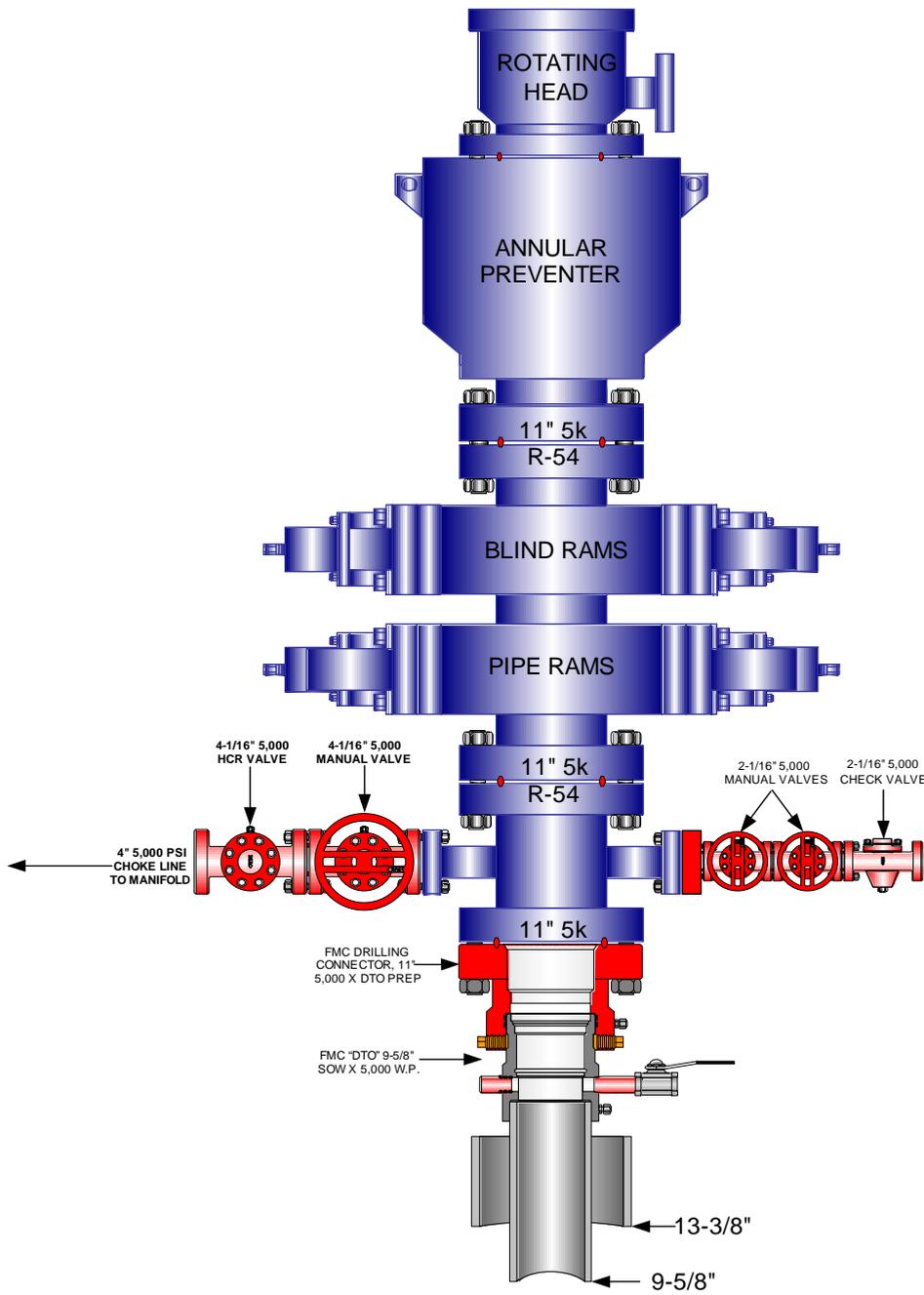
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

**13. Air Drilling Operations:**

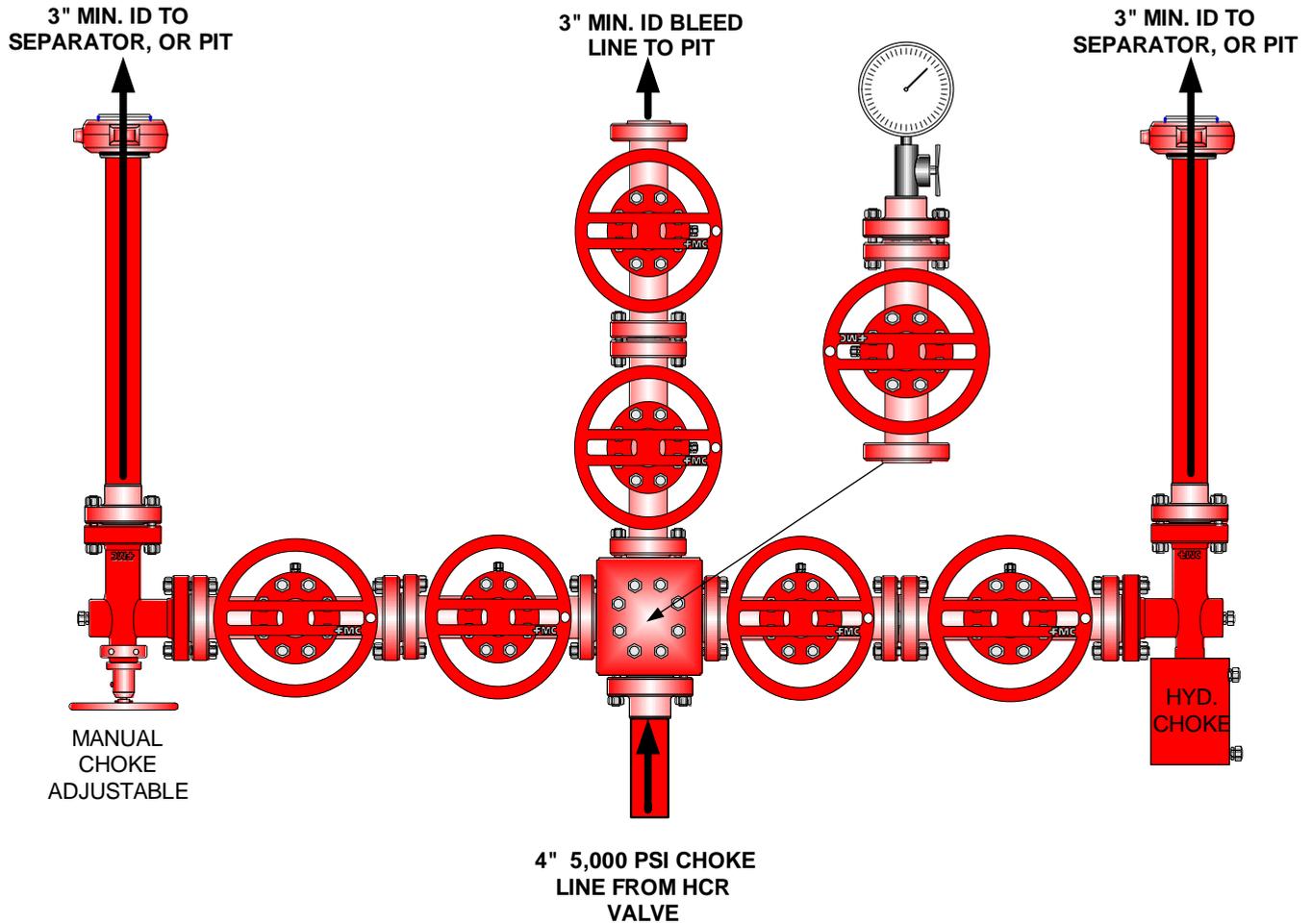
1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

**(Attachment: BOP Schematic Diagram)**

**EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION**



**EOG RESOURCES CHOKE MANIFOLD CONFIGURATION  
W/ 5,000 PSI WP VALVES**



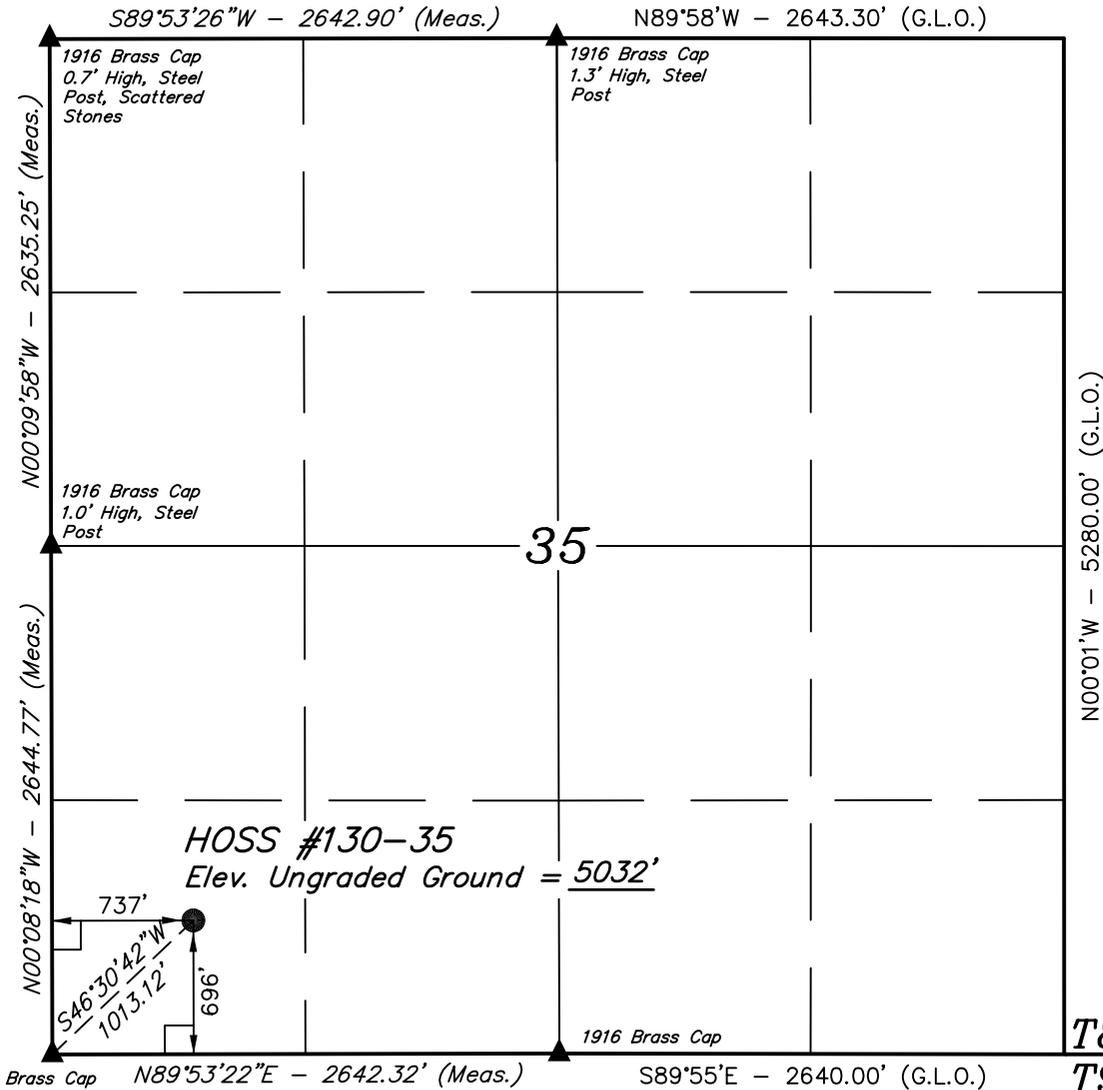
**Testing Procedure:**

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.  
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

# T8S, R23E, S.L.B.&M.

## EOG RESOURCES, INC.

Well location, HOSS #130-35, located as shown in the SW 1/4 SW 1/4 of Section 35, T8S, R23E, S.L.B.&M., Uintah County, Utah.

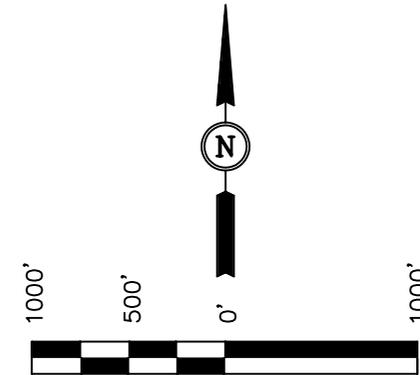


### BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M., TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH  
 No. 161319  
 ROBERT L. KAY

**UINTAH ENGINEERING & LAND SURVEYING**  
**85 SOUTH 200 EAST - VERNAL, UTAH 84078**  
 (435) 789-1017

### LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

(NAD 83)  
 LATITUDE =  $40^{\circ}04'25.84''$  (40.073844)  
 LONGITUDE =  $109^{\circ}18'04.14''$  (109.301150)  
 (NAD 27)  
 LATITUDE =  $40^{\circ}04'25.96''$  (40.073878)  
 LONGITUDE =  $109^{\circ}18'01.70''$  (109.300472)

SCALE 1" = 1000'	DATE SURVEYED: 10-02-08	DATE DRAWN: 10-03-08
PARTY G.S. T.M. E.M.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

APIWellNo:43047507080000

# EOG RESOURCES, INC.

## HOSS #130-35

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 35, T8S, R23E, S.L.B.&M.

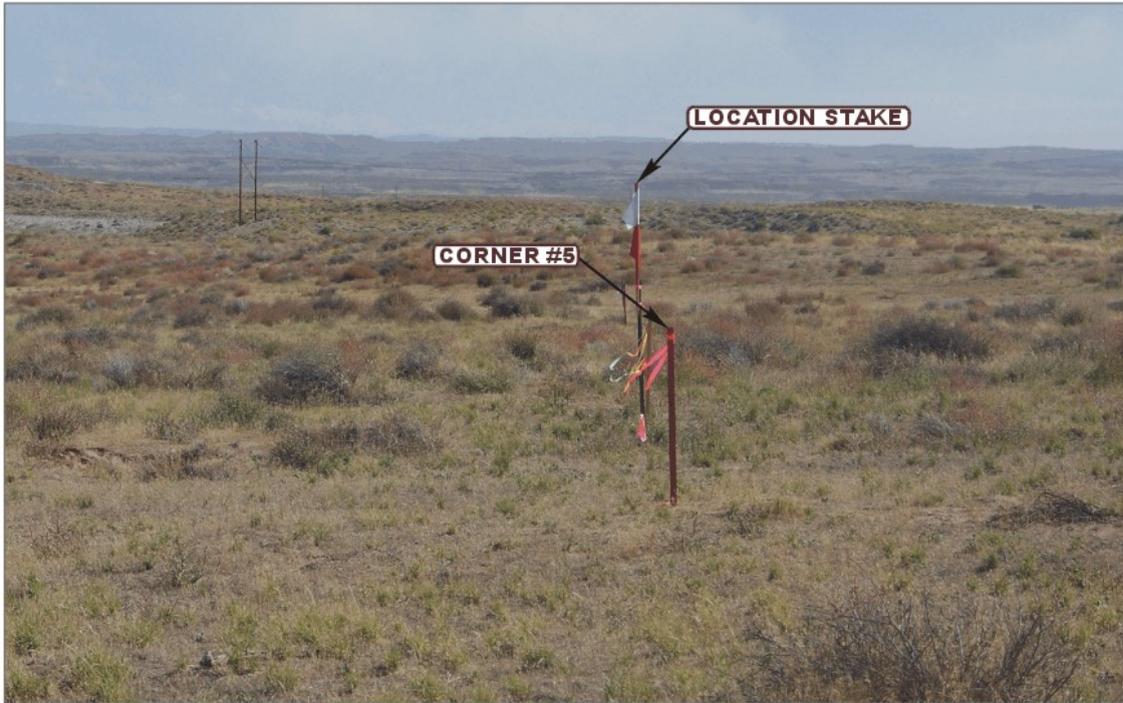


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

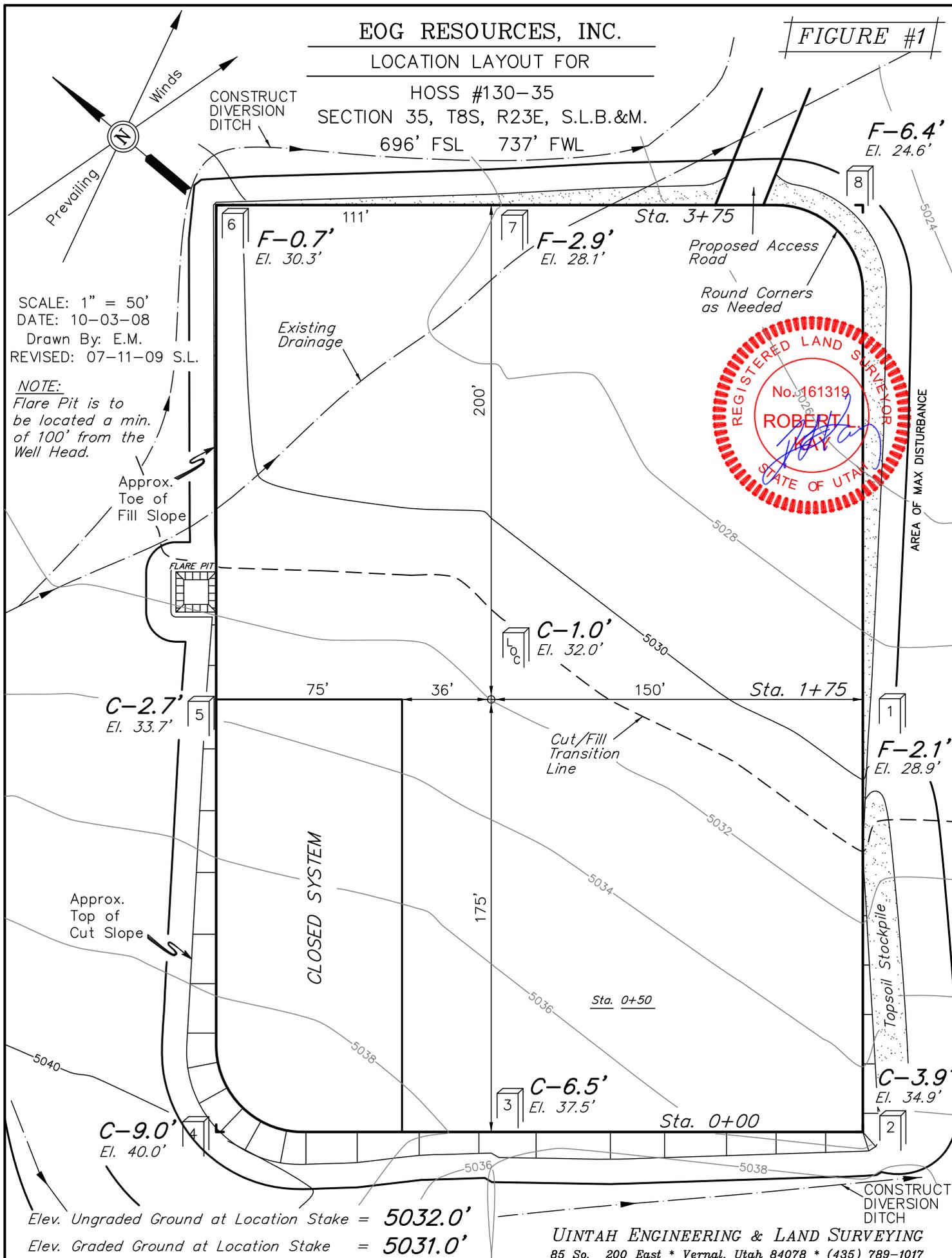
**UELS** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

LOCATION PHOTOS	10	09	08	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: C.R.	DRAWN BY: Z.L.	REVISED: 00-00-00		

# EOG RESOURCES, INC.

## LOCATION LAYOUT FOR HOSS #130-35 SECTION 35, T8S, R23E, S.L.B.&M.

FIGURE #1



SCALE: 1" = 50'  
 DATE: 10-03-08  
 Drawn By: E.M.  
 REVISED: 07-11-09 S.L.

**NOTE:**  
 Flare Pit is to be located a min. of 100' from the Well Head.

Elev. Ungraded Ground at Location Stake = 5032.0'  
 Elev. Graded Ground at Location Stake = 5031.0'

UINTAH ENGINEERING & LAND SURVEYING  
 85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

EOG RESOURCES, INC.

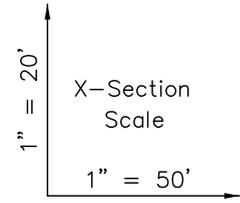
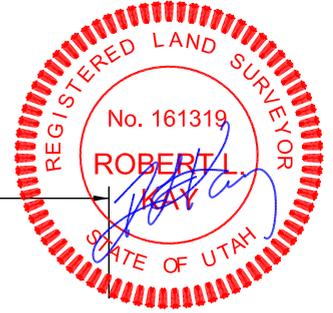
FIGURE #2

TYPICAL CROSS SECTIONS FOR

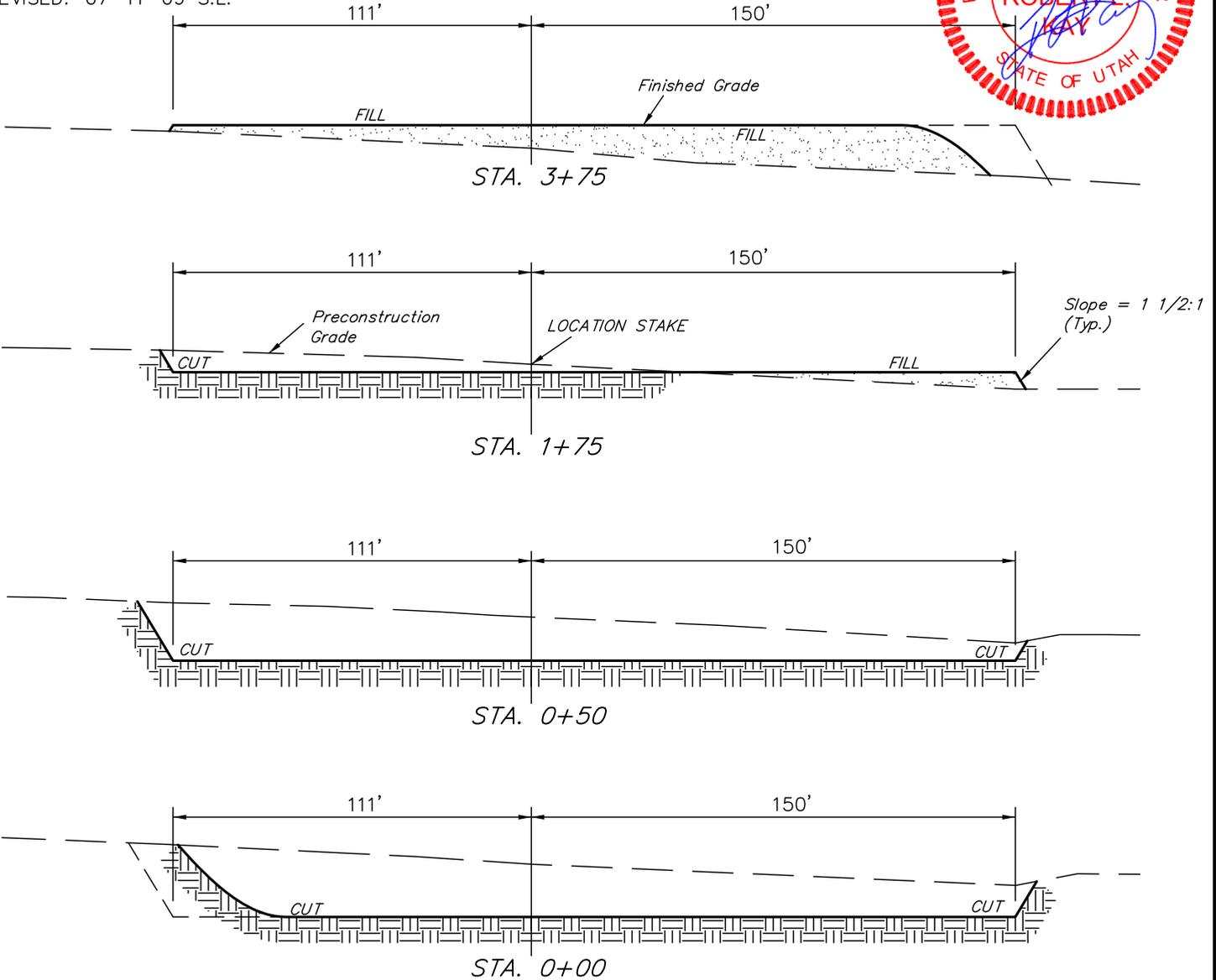
HOSS #130-35

SECTION 35, T8S, R23E, S.L.B.&M.

696' FSL 737' FWL



DATE: 10-03-08  
 Drawn By: E.M.  
 REVISED: 07-11-09 S.L.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE	= ±2.816 ACRES
ACCESS ROAD DISTURBANCE	= ±0.364 ACRES
PIPELINE DISTURBANCE	= ±0.458 ACRES
<b>TOTAL</b>	<b>= ±3.638 ACRES</b>

\* NOTE:  
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,980 Cu. Yds.
Remaining Location	= 6,000 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 7,980 CU.YDS.</b>
<b>FILL</b>	<b>= 6,000 CU.YDS.</b>

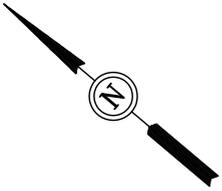
EXCESS MATERIAL	= 1,980 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 1,980 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

EOG RESOURCES, INC.

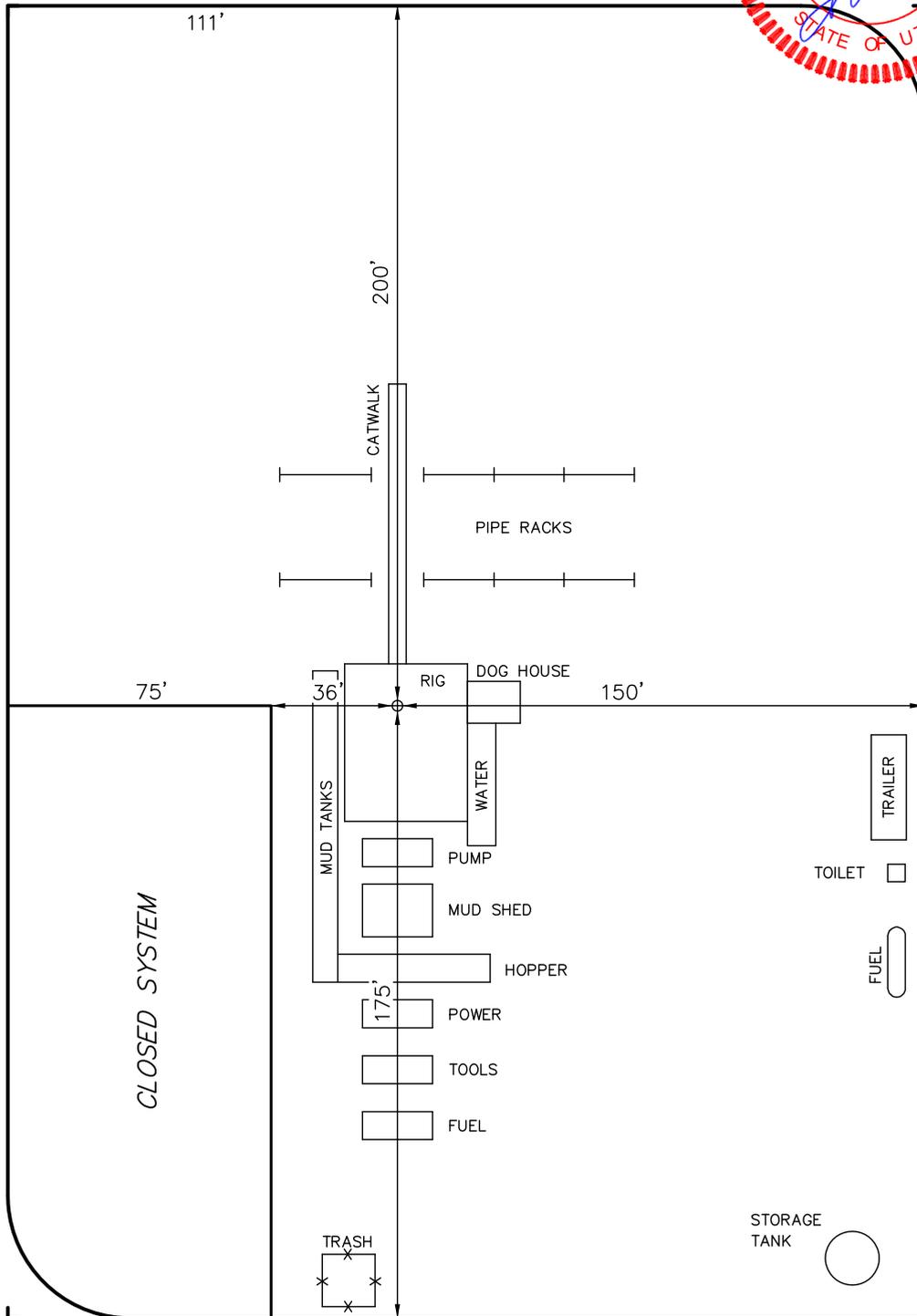
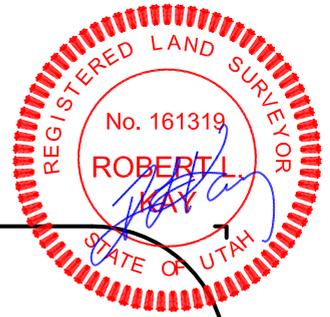
FIGURE #3

TYPICAL RIG LAYOUT FOR

HOSS #130-35  
SECTION 35, T8S, R23E, S.L.B.&M.  
696' FSL 737' FWL



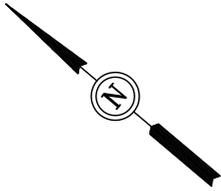
SCALE: 1" = 50'  
DATE: 10-03-08  
Drawn By: E.M.  
REVISED: 07-11-09 S.L.



EOG RESOURCES, INC.  
PRODUCTION FACILITY LAYOUT FOR

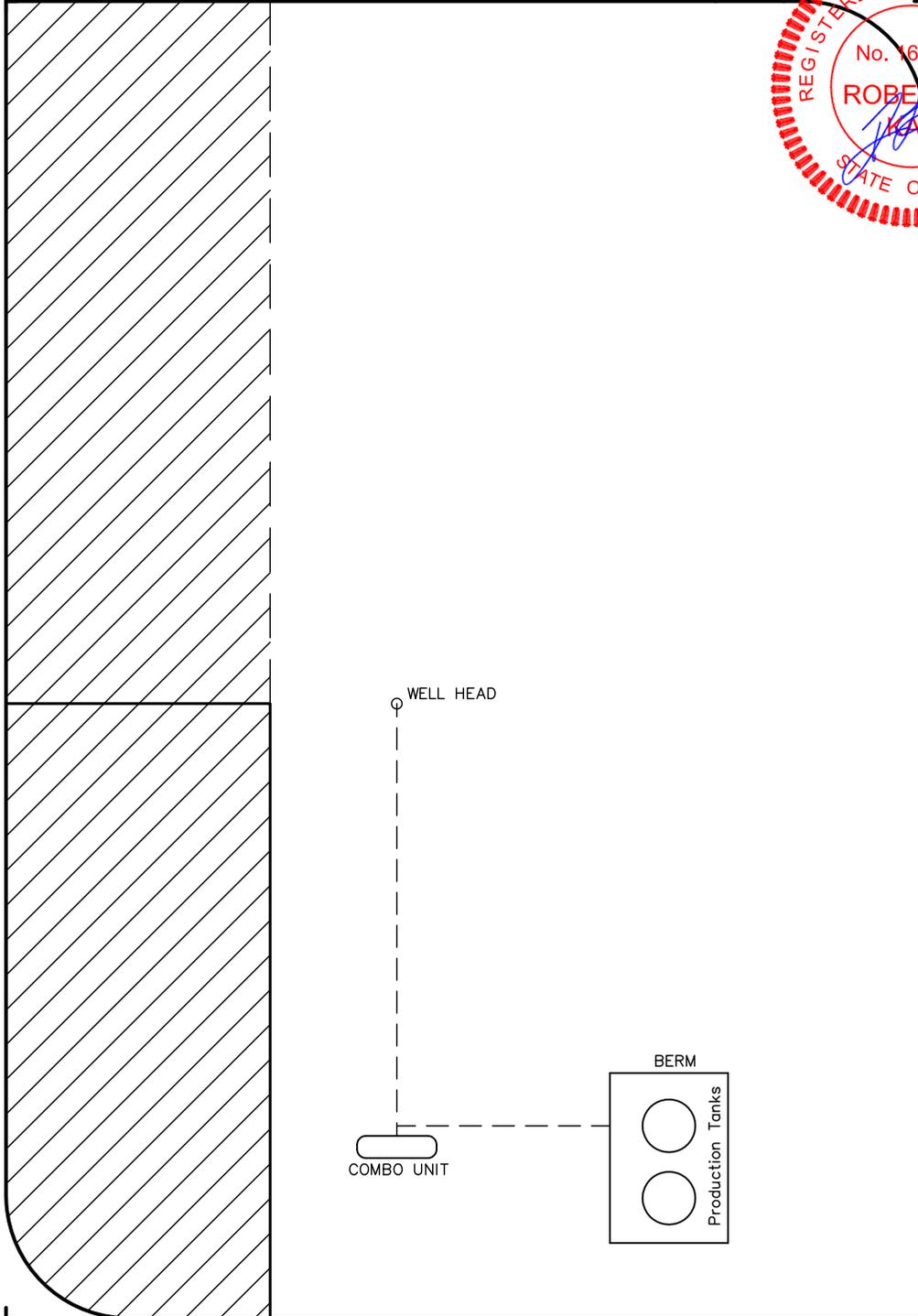
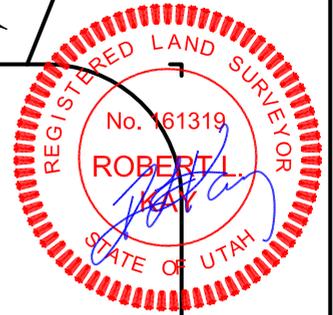
FIGURE #4

HOSS #130-35  
SECTION 35, T8S, R23E, S.L.B.&M.  
696' FSL 737' FWL



SCALE: 1" = 50'  
DATE: 10-03-08  
Drawn By: E.M.  
REVISED: 07-11-09 S.L.

Access Road

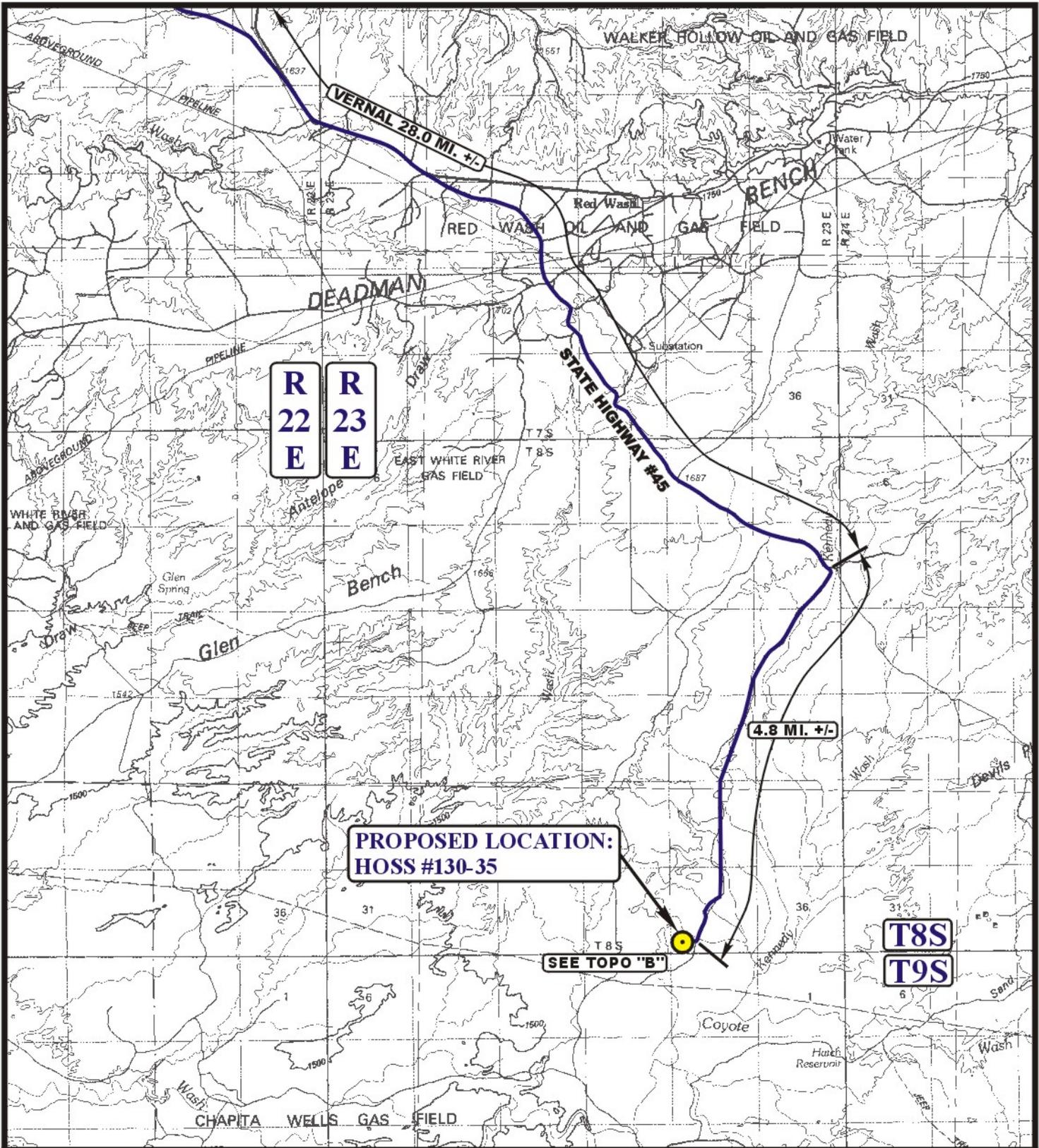


 RE-HABED AREA

**EOG RESOURCES, INC.**  
**HOSS #130-35**  
**SECTION 35, T8S, R23E, S.L.B.&M.**

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 24.1 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 4.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 0.1 TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 32.9 MILES.



**LEGEND:**

 EXISTING LOCATION

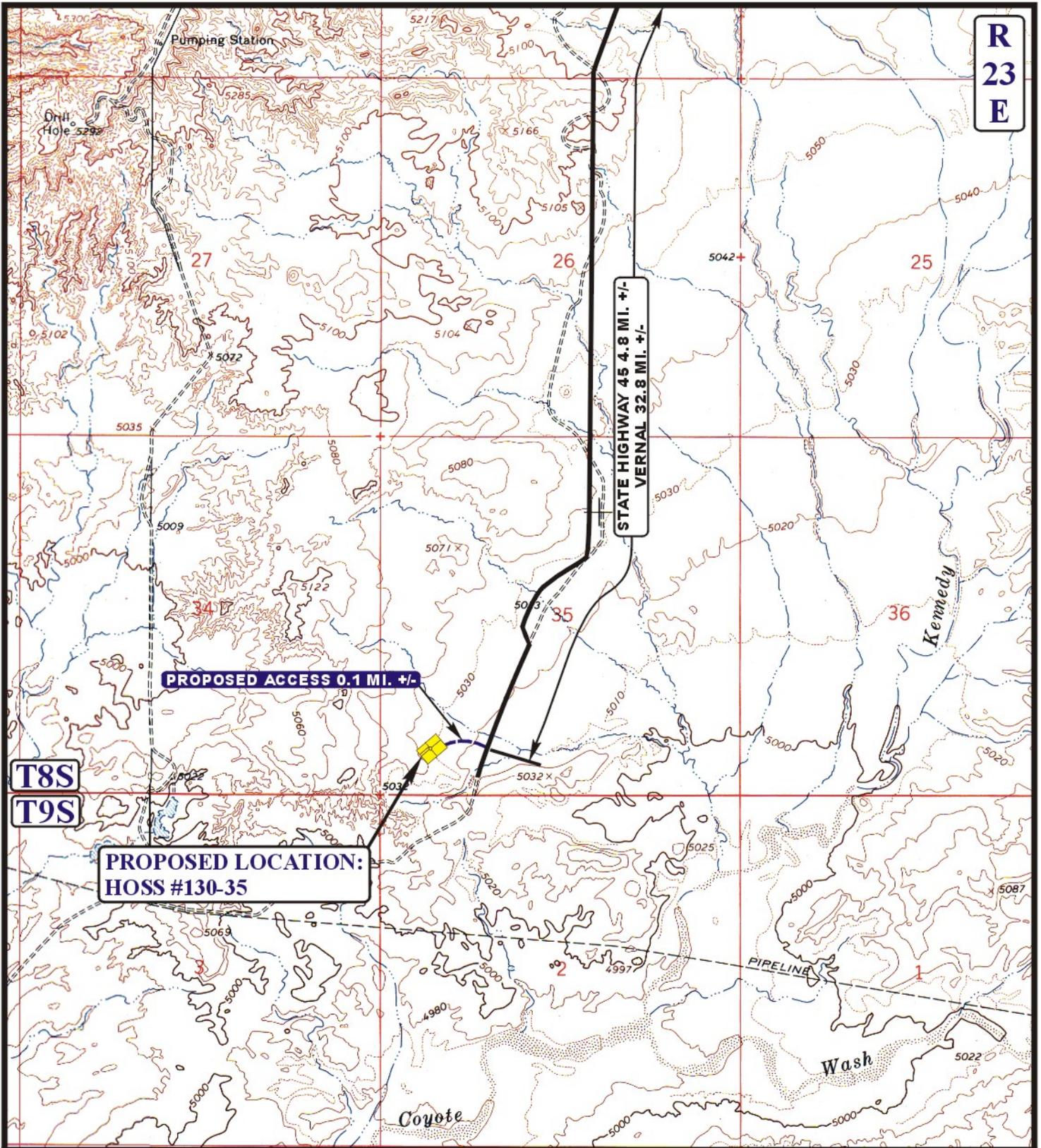


**EOG RESOURCES, INC.**

**HOSS #130-35**  
**SECTION 35, T8S, R23E, S.L.B.&M.**  
**696' FSL 737' FWL**

**UES** Utah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **10 09 08**  
**MAP** MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: Z.L. REVISED: 00-00-00 **TOPO**



R  
23  
E

T8S  
T9S

PROPOSED LOCATION:  
HOSS #130-35

STATE HIGHWAY 45 4.8 MI. +/-  
VERNAL 32.8 MI. +/-

PROPOSED ACCESS 0.1 MI. +/-

**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD

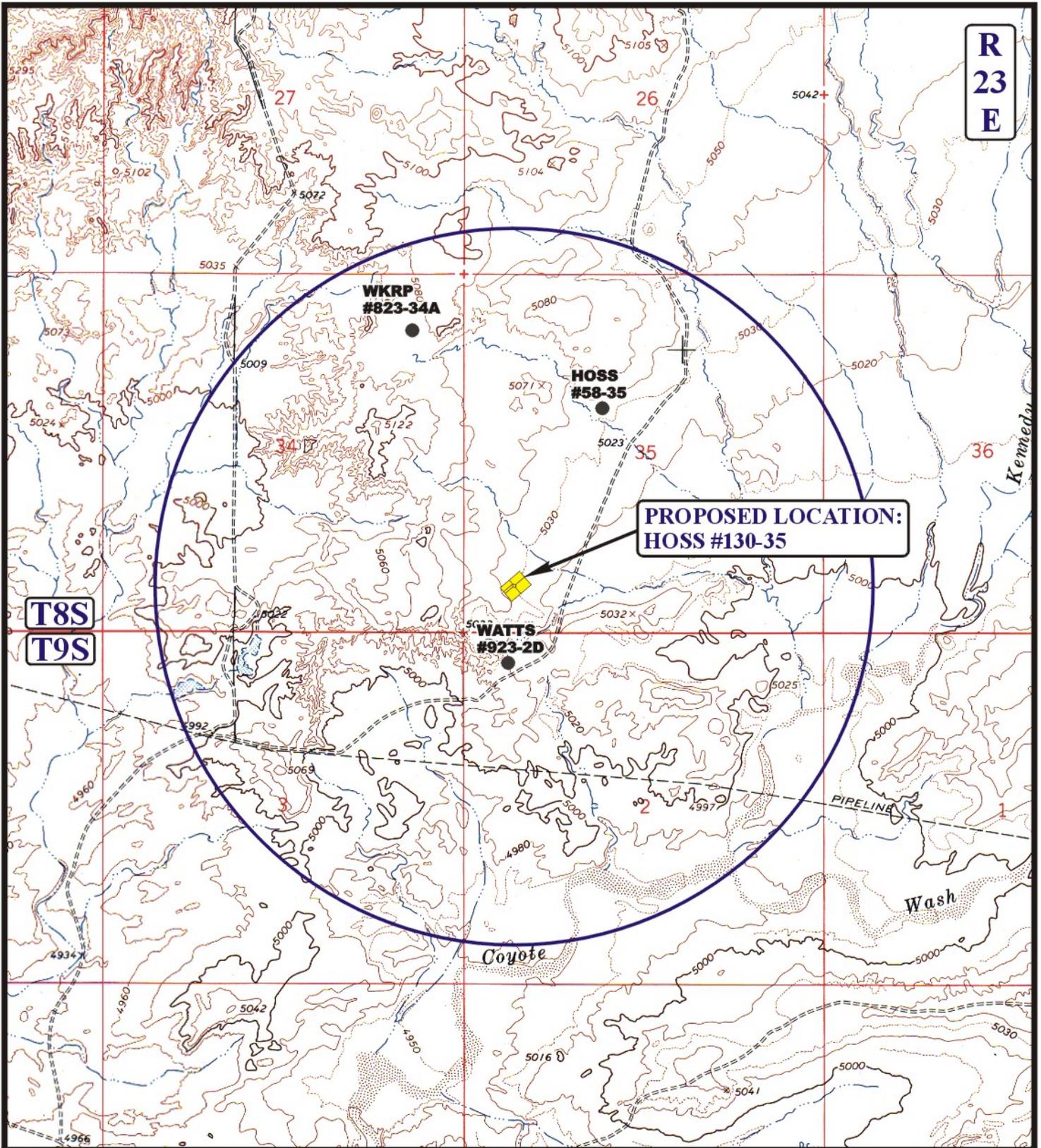


**EOG RESOURCES, INC.**

**HOSS #130-35**  
**SECTION 35, T8S, R23E, S.L.B.&M.**  
**696' FSL 737' FWL**

**U&L S** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** **10 09 08**  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00 **B**  
**TOPO**



R  
23  
E

T8S  
T9S

**PROPOSED LOCATION:  
HOSS #130-35**

**LEGEND:**

- ⊗ DISPOSAL WELLS
- PRODUCING WELLS
- ⬮ SHUT IN WELLS
- ⊗ WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

**EOG RESOURCES, INC.**

**HOSS #130-35  
SECTION 35, T8S, R23E, S.L.B.&M.  
696' FSL 737' FWL**



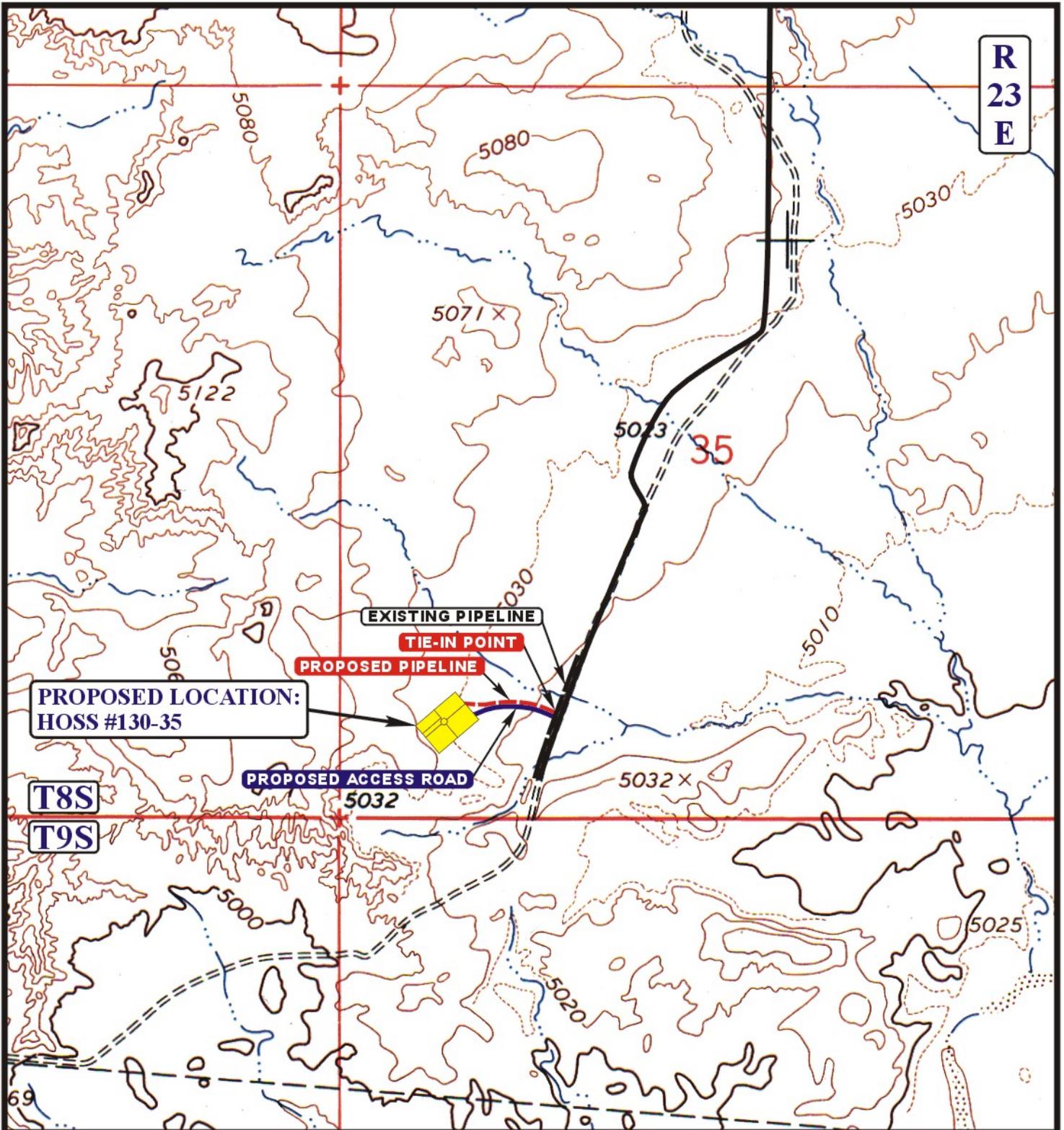
**Utah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP** 10 09 08  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 665' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

EOG RESOURCES, INC.

HOSS #130-35  
 SECTION 35, T8S, R23E, S.L.B.&M.  
 696' FSL 737' FWL

**U&L S** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC MAP** 10 09 08  
 MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: Z.L. REVISED: 00-00-00

**D**  
TOPO



***Hoss 130-35  
SWSW, Section 35, T8S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 528 feet long with a 30-foot right-of-way, disturbing approximately .36 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.61 acres. The pipeline is approximately 665 feet long with a 40-foot temporary right-of-way and an 8-foot permanent right-of-way disturbing approximately .61 acre.

***1. EXISTING ROADS:***

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 32.9 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 528' in length; culverts will be installed on an as-needed basis. See attached Topo B.
- B. The access road has a 30-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

- I. A 30-foot permanent right-of-way is requested. No surfacing material will be used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

An off-lease right-of-way is not required. The entire length of the proposed access road is located within Federal Lease UTU-76042.

**3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

See attached TOPO map "C" for the location of wells within a one-mile radius.

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

**A. On Well Pad**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4” gathering line will be buried from dehy to the edge of the location.

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 665' x 40'. The proposed pipeline leaves the eastern edge of the well pad (Lease UTU-76042) proceeding in an easterly direction for an approximate distance of 665' tying into an existing pipeline in the SESW of Section 35, T8S, R23E. Pipe will be 4” NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4” OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease UTU-76042.
7. The proposed pipeline route begins in the SWSW of Section 35, Township 8S, Range 23E, proceeding easterly for an approximate distance of 665' to the SESW of Section 35, Township 8S, Range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon or Covert Green.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)).

- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined and dried in a cuttings pit. Dried cuttings shall be spread on the access road.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD CWU 2-29 SWD, Red Wash Evaporation Ponds 1, 2, 3, 4, 5, 6, or 7, or Coyote Evaporation Ponds 1, 2, 3, or 4, or Hoss SWD Facility, right-of-way UTU 86010, UTU 897093 or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either natural or artificial evaporation methods, or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the closed loop system will be avoided by flaring them off in the flare pit at the time of recovery.

The referenced well will be drilling utilizing a closed loop system. The closed loop system will be installed in a manner that preventing leaks, breaks, or discharge. Drill cutting will be contained in an area approximately 50' x 100'. The surface drill cuttings pile will be bermed and lined with bentonite. Drill cuttings will be dried and spread on location. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The proposed location will be drilled utilizing a closed loop system.

The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protect of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the east.

**Diversion ditches shall be constructed on the north and south sides of the location.**

**The corners of the well pad will be rounded off as needed to minimize excavation.**

**10. PLANS FOR RECLAMATION OF THE SURFACE:**

**A. Interim Reclamation (Producing Location)**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

The portion of the location not needed for production facilities/operations will be reseeded during interim reclamation.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Indian Ricegrass	5.5
Needle and Threadgrass	5.5
Evening Primrose	.5
Sandberg Bluegrass	2.0
Alkali Sacation	3.5

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**B. Dry Hole/Abandoned Location**

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

**11. SURFACE OWNERSHIP:**

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

**Bureau of Land Management**

**12. OTHER INFORMATION:**

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied, as needed, to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on 11/11/2008. A paleontological survey was conducted and submitted by Intermountain Paleo on 11/19/2008.

**Additional Surface Stipulations:**

None.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Mary A. Maestas  
EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078  
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

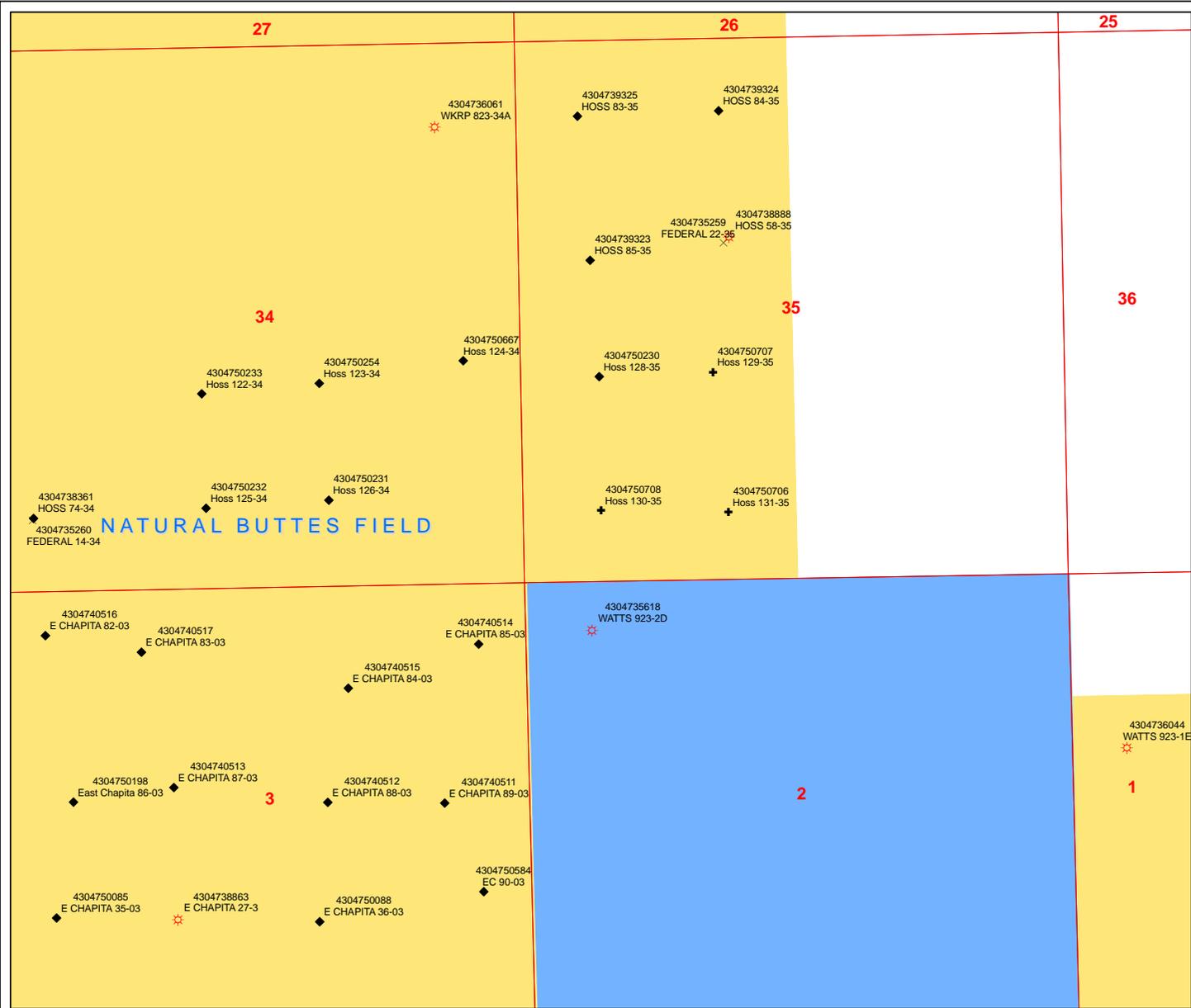
**CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Hoss 130-35 Well, located in the SWSW, of Section 35, T8S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

September 1, 2009  
Date

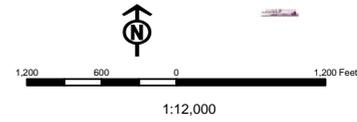
\_\_\_\_\_  
Mary A. Maestas, Regulatory Assistant



**API Number: 4304750708**  
**Well Name: Hoss 130-35**  
**Township 08.0 S Range 23.0 E Section 35**  
**Meridian: SLBM**  
 Operator: EOG RESOURCES, INC.

Map Prepared:  
 Map Produced by Diana Mason

<b>Units</b>	<b>Wells Query Events</b>
<b>STATUS</b>	<all other values>
ACTIVE	<Null>
EXPLORATORY	APD
GAS STORAGE	DRL
NF PP OIL	GI
NF SECONDARY	GS
PI OIL	LA
PP GAS	NEW
PP GEOTHERML	OPS
PP OIL	PA
SECONDARY	PGW
TERMINATED	POW
	RET
	SGW
	SOW
	TA
	TW
	WD
	WI
	WS



# WORKSHEET APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 9/3/2009

**API NO. ASSIGNED:** 43047507080000

**WELL NAME:** Hoss 130-35

**OPERATOR:** EOG Resources, Inc. (N9550)

**PHONE NUMBER:** 303 824-5526

**CONTACT:** Mary Maestas

**PROPOSED LOCATION:** SWSW 35 080S 230E

**Permit Tech Review:**

**SURFACE:** 0696 FSL 0737 FWL

**Engineering Review:**

**BOTTOM:** 0696 FSL 0737 FWL

**Geology Review:**

**COUNTY:** UINTAH

**LATITUDE:** 40.07386

**LONGITUDE:** -109.30043

**UTM SURF EASTINGS:** 644926.00

**NORTHINGS:** 4437129.00

**FIELD NAME:** NATURAL BUTTES

**LEASE TYPE:** 1 - Federal

**LEASE NUMBER:** UTU76042

**PROPOSED PRODUCING FORMATION(S):** WASATCH-MESA VERDE

**SURFACE OWNER:** 1 - Federal

**COALBED METHANE:** NO

## RECEIVED AND/OR REVIEWED:

- PLAT
- Bond: FEDERAL - NM2308
- Potash
- Oil Shale 190-5
- Oil Shale 190-3
- Oil Shale 190-13
- Water Permit: 49-225
- RDCC Review:
- Fee Surface Agreement
- Intent to Commingle

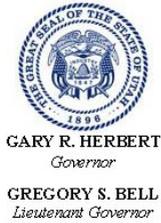
Commingling Approved

## LOCATION AND SITING:

- R649-2-3.
- Unit:**
- R649-3-2. General
- R649-3-3. Exception
- Drilling Unit
- Board Cause No:** R649-3-2
- Effective Date:**
- Siting:**
- R649-3-11. Directional Drill

**Comments:** Presite Completed

**Stipulations:** 4 - Federal Approval - dmason  
23 - Spacing - dmason



# State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

## Permit To Drill

\*\*\*\*\*

**Well Name:** Hoss 130-35  
**API Well Number:** 43047507080000  
**Lease Number:** UTU76042  
**Surface Owner:** FEDERAL  
**Approval Date:** 9/14/2009

### Issued to:

EOG Resources, Inc., 1060 East Highway 40, Vernal, UT 84078

### Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

### Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

### General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

### Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

### Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

OR

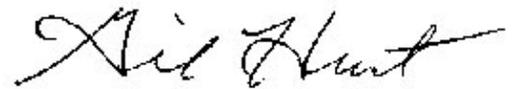
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>

**Reporting Requirements:**

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

**Approved By:**

A handwritten signature in black ink, appearing to read "Gil Hunt", with a stylized, cursive script.

Gil Hunt  
Associate Director, Oil & Gas

# DIVISION OF OIL, GAS AND MINING

## SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: HOSS 130-35

Api No: 43-047-50708 Lease Type FEDERAL

Section 35 Township 08S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # BUCKET

### SPUDDED:

Date 08/18/2010

Time 9:00 AM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by KENT DAVENPORT

Telephone # (435) 828-8200

Date 08/18/2010 Signed CHD

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU76042	

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>7. UNIT or CA AGREEMENT NAME:</b>  

<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> Hoss 130-35
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047507080000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0696 FSL 0737 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 35 Township: 08.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
	<b>COUNTY:</b> UINTAH
	<b>STATE:</b> UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 8/18/2010	<input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input checked="" type="checkbox"/> WATER DISPOSAL  <input type="checkbox"/> APD EXTENSION  OTHER: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:			
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:			
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests authorization for the disposal of produced water at the following locations: 1. NBU 20-20B SWD 2. CWU 550-30N SWD 3. CWU 2-29 SWD 4. Red Wash Evaporation Ponds 1,2,3,4,5,6&7 5. White River Evaporation Ponds 1&2 6. RNI Disposal 7. Hoss SWD Wells ROW# UTU86010 & UTU897093

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 August 23, 2010

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 8/20/2010	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU76042
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<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
--	--

<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> Hoss 130-35
------------------------------------	--

<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047507080000
--	---

<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
--	--	--

<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0696 FSL 0737 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 35 Township: 08.0S Range: 23.0E Meridian: S	<b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH
---	---

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input checked="" type="checkbox"/> <b>SPUD REPORT</b> Date of Spud: 8/18/2010	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The referenced well was spud 8/18/2010.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 August 25, 2010

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 8/20/2010	

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU76042	

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
--	--

<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> Hoss 130-35
------------------------------------	--

<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047507080000
--	---

<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
--	--	--

<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0696 FSL 0737 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 35 Township: 08.0S Range: 23.0E Meridian: S	<b>COUNTY:</b> Uintah  <b>STATE:</b> Utah
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 50px;" type="text"/>
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:			
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:			
<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 8/18/2010			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

No activity has occurred since spud on 8/18/2010.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 August 25, 2010

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 8/20/2010	

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
 Address: 1060 East Highway 40  
city Vernal  
state UT zip 84078 Phone Number: (435) 781-9154

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-50585	EAST CHAPITA 38-03		SESE	3	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17747	8/18/2010			8/26/10	
<b>Comments:</b> WASATCH/MESAVERDE							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-50708	HOSS 130-35		SWSW	35	8S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17748	8/18/2010			8/26/10	
<b>Comments:</b> WASATCH/MESAVERDE							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<b>Comments:</b>							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Gates

Name (Please Print)

*Mickenzie Gates*

Signature

Operations Clerk

Title

8/20/2010

Date

**RECEIVED**

AUG 23 2010

DIV. OF OIL, GAS & MINING

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU76042
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> Hoss 130-35
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047507080000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0696 FSL 0737 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 35 Township: 08.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> Uintah  <b>STATE:</b> Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 9/20/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
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	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforations the 4-1/2" production casing. Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

**Accepted by the  
Utah Division of  
Oil, Gas and Mining**

Date: October 14, 2010  
By: *Derek Quist*

<b>NAME (PLEASE PRINT)</b> Nanette Lupcho	<b>PHONE NUMBER</b> 435 781-9157	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 9/20/2010	



EOG Resources, Inc.  
1060 E Hwy 40  
Vernal, Utah 84078

**FEDEX**  
**TRACKING# 7939 2762 2260**

September 20, 2010

Kerr-McGee Oil & Gas Onshore LP  
1099 18<sup>th</sup> Street, Suite 1200  
Denver, Colorado 80202  
Attn: Mr. W. Chris Latimer

**RE: COMMINGLING APPLICATION**  
**HOSS 130-35**  
**UINTAH COUNTY, UTAH**  
**LEASE: UTU76042**

Mr. Latimer:

EOG Resources, Inc. has filed an application with the State of Utah Department of Oil Gas and Mining requesting commingling approval in the Wasatch and Mesaverde formations for the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased hole logs. Production from the Wasatch, and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Sincerely,

A handwritten signature in blue ink, appearing to read "N. Lupcho", written in a cursive style.

Nanette Lupcho  
Regulatory Assistant

RECEIVED September 20, 2010

STATE OF UTAH)

) ss

COUNTY OF UINTAH )

VERIFICATION

Nanette Lupcho, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

**HOSS 130-35  
696' FSL – 737' FWL (SWSW)  
SECTION 35, T8S, R23E  
UINTAH COUNTY, UTAH**

EOG Resources, Inc., and Kerr-McGee Oil & Gas Onshore LP, Exhibit A, are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 20<sup>th</sup> day of September, 2010 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, and Kerr-McGee Oil & Gas Onshore LP,

Further affiant saith not.



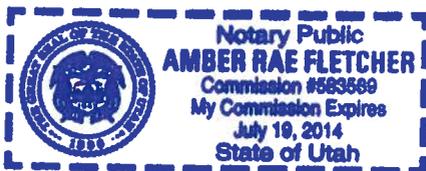
Nanette Lupcho  
Regulatory Assistant

Subscribed and sworn before me this 20<sup>th</sup> day of September, 2010.



Notary Public

My Commission Expires:



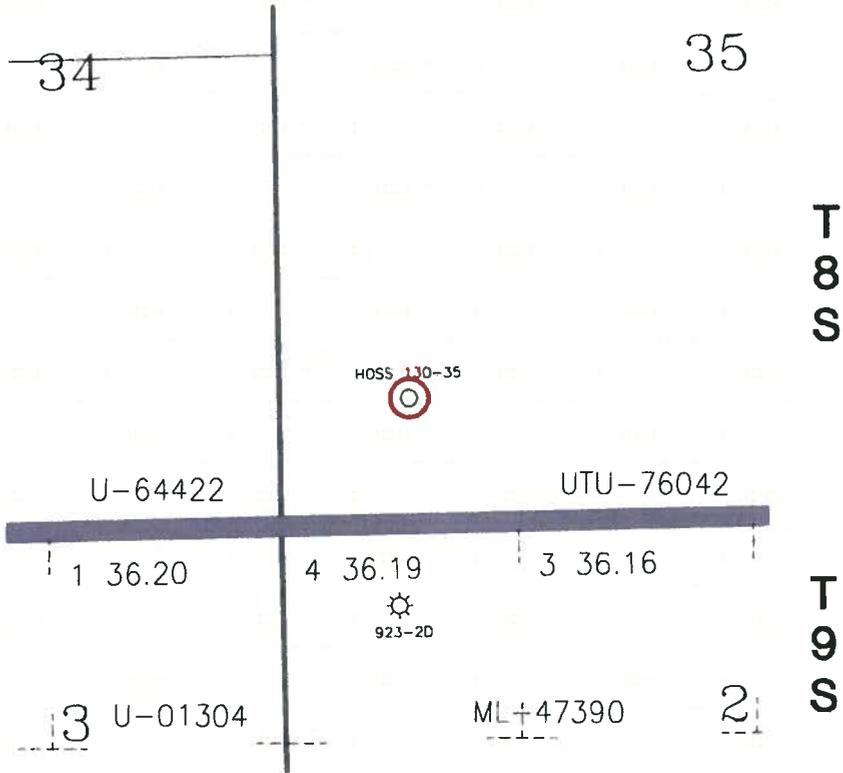
RECEIVED September 20, 2010

Exhibit "A" to Affidavit  
HOSS 130-35 Application to Commingle

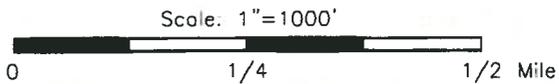
Kerr-McGee Oil & Gas Onshore LP  
1099 18<sup>th</sup> Street, Suite 1200  
Denver, Colorado 80202  
Attn: Mr. W. Chris Latimer

**RECEIVED** September 20, 2010

R 23 E



 HOSS 130-35



Denver Division

**EXHIBIT "A"**

HOSS 130-35  
 Commingling Application  
 Uintah County, Utah

Scale:  
1" = 1000'

D:\utah\Commingling\1  
 Hoss130-35\_commingled.dwg  
 Layout1

Author  
GT

Mar 17, 2009 -  
3:40pm

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU76042
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<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> Hoss 130-35
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047507080000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0696 FSL 0737 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWSW Section: 35 Township: 08.0S Range: 23.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
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<input checked="" type="checkbox"/> <b>DRILLING REPORT</b> Report Date: 10/27/2010	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> <b>PRODUCTION START OR RESUME</b>	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
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	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The referenced well was turned to sales on October 27, 2010. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**  
**FOR RECORD ONLY**  
 November 02, 2010

<b>NAME (PLEASE PRINT)</b> Michelle Robles	<b>PHONE NUMBER</b> 307 276-4842	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A	<b>DATE</b> 10/29/2010	

# WELL CHRONOLOGY REPORT

Report Generated On: 10-29-2010

<b>Well Name</b>	HOSS 130-35	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	PONDEROSA	<b>API #</b>	43-047-50708	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	09-04-2010	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,210/ 9,210	<b>Property #</b>	063974
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,044/ 5,031				
<b>Location</b>	Section 35, T8S, R23E, SWSW, 696 FSL & 737 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	79.334

<b>AFE No</b>	306557	<b>AFE Total</b>	2,108,700	<b>DHC / CWC</b>	880,700/ 1,228,000
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #34	<b>Start Date</b>	10-01-2009
<b>10-01-2009</b>	<b>Reported By</b>	SHEILA MALLOY			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			696' FSL & 737' FWL (SW/SW)
			SECTION 35, T8S, R23E
			UINTAH COUNTY, UTAH
			LAT 40.073844, LONG 109.301150 (NAD 83)
			LAT 40.073878°, LONG 109.300472 (NAD 27)
			TRUE #34
			OBJECTIVE: 9210' TD, MESAVERDE
			DW/GAS
			PONDEROSA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-76042
			ELEVATION: 5032.0' NAT GL, 5031.0' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 5031') 5050' KB (19')
			EOG WI 100%, NRI 79.3338%

08-11-2010      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$75,000                      **Completion**      \$0                      **Daily Total**      \$75,000  
**Cum Costs: Drilling**      \$75,000                      **Completion**      \$0                      **Well Total**      \$75,000  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	BEGAN CONSTRUCTION OF LOCATION TODAY, 8/11/10.

**08-12-2010**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$75,000                      **Completion**      \$0                      **Well Total**      \$75,000  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 15% COMPLETE.

**08-13-2010**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$75,000                      **Completion**      \$0                      **Well Total**      \$75,000  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 25% COMPLETE.

**08-16-2010**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$75,000                      **Completion**      \$0                      **Well Total**      \$75,000  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS COMPLETE. STARTING CLOSED LOOP.

**08-17-2010**      **Reported By**      TERRY CSERE

**DailyCosts: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$75,000                      **Completion**      \$0                      **Well Total**      \$75,000  
**MD**              0      **TVD**              0      **Progress**              0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	CLOSED LOOP 5% COMPLETE.

**08-18-2010**      **Reported By**      TERRY CSERE/KENT DEVENPORT



08-31-2010 Reported By DALL COOK / KYLAN COOK

DailyCosts: Drilling \$214,388 Completion \$0 Daily Total \$214,388  
 Cum Costs: Drilling \$289,388 Completion \$0 Well Total \$289,388

MD 2,619 TVD 2,619 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 8/24/2010. DRILLED 12-1/4" HOLE TO 2600' GL (2619' KB). ENCOUNTERED WATER AT 2130'. DRILLED WITH AIR AND FOAM TO 2130' THEN PUMP DRILLED TO TD WITH PARTIAL RETURNS. RAN 59 JTS (2585.12') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2604.12' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO CRAIG'S AIR RIG #2.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 5000 PSIG. PUMPED 70 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. LEAD: MIXED AND PUMPED 250 SACKS (183 BBLs) OF PREMIUM LEAD CEMENT WITH 0.3% VARSET, 2% CAL-SEAL, AND 2% ECONOLITE. MIXED LEAD CEMENT @ 10.5 PPG WITH YIELD OF 4.1 CF/SX. TAIL: MIXED AND PUMPED 300 SACKS (63 BBLs) OF PREMIUM CEMENT WITH 2% CACL2 MIXED TAIL CEMENT @ 15.6 PPG WITH YIELD OF 1.18 CF/SX. DISPLACED CEMENT WITH 196.4 BBLs FRESH WATER. BUMPED PLUG WITH 700# @ 12:57 PM ON 8/28/10. FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 50 BBLs INTO FRESH WATER FLUSH. NO CEMENT TO SURFACE. WOC 1 HR 30 MIN.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT WITH 2% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HR.

TOP JOB #2: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT WITH 2% CACL2. MIXED CEMENT @ 15.8 PPG WITH YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIG'S RIG #2 TOOK SURVEYS WHILE DRILLING HOLE @ 1530' = 1.00 DEGREE, 2010' = 1.25 DEGREE, AND 2580' = 2.00 DEGREE.

KYLAN COOK NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 8/26/10 @ 08:30 AM. KYLAN COOK NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING & CEMENT JOB VIA PHONE ON 8/26/10 @ 08:30 AM.

09-04-2010 Reported By GLEN PRUET

DailyCosts: Drilling \$111,410 Completion \$0 Daily Total \$111,410  
 Cum Costs: Drilling \$400,799 Completion \$0 Well Total \$400,799

MD 2,619 TVD 2,619 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: CIRCULATE FOR FIT

Start End Hrs Activity Description

06:00 11:00 5.0 RDMO SAFETY MEETING, MOVE RIG 3 MILES TO HOSS 130-35. RIG ON LOCATION @ 11:00 HRS.,  
 11:00 20:00 9.0 RU/RT. RAISE DERRICK @ 14:00 HRS. TRUCKS RELEASED @ 14:30 HRS.  
 FMC SERVICEMAN LOCKED DTO DRLG CONNECTOR AND TEST TO 5000 PSI. OK.  
 PRE SPUD RIG INSPECTION COMPLETE.

20:00 23:30 3.5 RIG ACCEPTED ON DAYWORK @ 20:00 HRS, 9/3/2010. HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAMS, HCR, CHOKE LINES, MANIFOLD, KILL LINE VALVES, UPPER & LOWER KELLY & INSIDE BOP 250 LOW/5000 PSI HI, 10 MINUTES. TEST ANNULAR PREVENTER 250/2500 PSI FOR 10 MINUTES. ALL TEST GOOD.

B & C PERFORMED ACCUMULATOR FUNCTION TEST AS FOLLOWS; #1 USUABLE FLUID TEST GOOD W/1200 PSI AFTER FUNCTIONING RAMS. #2 PRECHARGE CHECK GOOD AFTER OPENING ANNULAR, BLEEDING BOTTLES INTO RESERVOIR, PRESSURE DROP TO 700 PSI. #3 CAPACITY OF PUMPS; OPEN HCR, CLOSE ANNULAR AND REGAINED PRESSURE TO 1200 PSI IN 55 SEC. ACCUMULATOR TEST GOOD.

23:30 00:00 0.5 TEST CASING TO 1500 PSI FOR 30 MINUTES. NO BLM OR STATE REP. ON LOCATION TO WITNESS TEST. BLM AND UDOGM NOTIFIED 09/02/2010 FOR BOP TEST.

00:00 00:30 0.5 INSTALL WEAR BUSHING.

00:30 03:00 2.5 PJSM KIMZEY CASING SERVICE LD MACHINE CREW. RU EQUIPMENT. PICK UP 7 7/8" SMITH PDC BIT, BHA & DP ON TRIP IN HOLE. TAG CMT @ 2474'.

03:00 04:00 1.0 INSTALL ROTATING RUBBER, DRIVE BUSHING AND TORQUE TIGHTEN KELLY.

04:00 06:00 2.0 DRILL CEMENT AND FLTS F/2474' TO 2604' AND 10' OF NEW HOLE. CBU FOR FIT. (FUNC COM F/DRILLING). PUMP 406 GPM @ 107 SPM, 1260 PSI. DIFF 85, ROT 36, MOTOR RPM 65,

FULL CREWS. NO ACCIDENTS REPORTED...MUD WEIGHT 9.8, VIS 29.

SAFETY MEETINGS TOPICS; TEST BOP. P/U BHA AND DRILL PIPE.

FUEL ON HAND 9735 GAL. USED 432 GAL. RECEIVED 7500 GAL. 2658 GAL.

TRANSFER 126.00' (3 JTS) 11.6# N-80 LTC CASING AND 1 MKR. JT 20.00' P-110 11.6#.

BLM NOTIFIED VIA EMAIL AND UDOGM,CAROL DANIELS BY TELEPHONE 09/02/2010 RE: BOP TEST

WEATHER; CLEAR, TEMP 57 DEG. DEW PT. 37 DEG. WIND CALM. VISIBILITY 10 MI.

<b>09-05-2010</b>		<b>Reported By</b>		GLEN PRUET							
<b>DailyCosts: Drilling</b>		\$33,423	<b>Completion</b>		\$0	<b>Daily Total</b>		\$33,423			
<b>Cum Costs: Drilling</b>		\$434,222	<b>Completion</b>		\$0	<b>Well Total</b>		\$434,222			
<b>MD</b>	5,422	<b>TVD</b>	5,422	<b>Progress</b>	2,803	<b>Days</b>	1	<b>MW</b>	9.8	<b>Visc</b>	39.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: DRILLING @ 5422'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL NEW HOLE TO 2644'. CBU FOR FIT. MUD WEIGHT 9.7 PPG + SIP @ 220 PSI. = 11.29 EMW.
07:00	08:30	1.5	DRILL 2619' TO 2824', (205') 136 FPH. 10/38 RPM + 65 RPM ON MOTOR. WOB 12-18. PUMP 415 GPM @ 112 SPM. SPP 1100 PSI, DIFF 220. DRILLING MAHOGANY OIL SHALE BED F/2647'. FUNC COM F/DRILLING.
08:30	09:00	0.5	WL SURVEY @ 2743', 0.6 DEG.
09:00	15:00	6.0	DRLG. F/2824' TO 3883' (1059') 176.5 FPH. 50/60 RPM + 73 RPM ON MOTOR. WOB 20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2000 PSI, DIFF 340/450 DRLG.: MAHOGANY OIL SHALE. MUD WT 9.8 PPG.
15:00	15:30	0.5	SERVICE RIG.
15:30	16:00	0.5	WL SURVEY @ 3740', 1.6 DEG.
16:00	23:00	7.0	DRLG. F/3883' TO 4790' (907') 129.5 FPH. 62 RPM + 73 RPM ON MOTOR. WOB 20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2350 PSI, DIFF 320/435 DRLG.: MAHOGANY OIL SHALE. MUD WT 9.8 PPG.
23:00	23:30	0.5	WL SURVEY @ 4708', 1.25 DEG.
23:30	06:00	6.5	DRLG. F/4790' TO 5422' (632') 97.2 FPH. 58 RPM + 73 RPM ON MOTOR. WOB 20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2300 PSI, DIFF 320/360 DRLG.: WASATCH F/4847'. MUD WT 9.8 PPG.
MUD WEIGHT 10.0, VIS 33. BOP DRILL @ 4915', 80 SEC. TO SECURE WELL.			

FULL CREWS. NO ACCIDENTS REPORTED...MUD WEIGHT 10.0, VIS 33.

SAFETY MEETINGS TOPICS; POTENTIAL TRIP HAZARDS. P/U PIPE IN V DOOR.

FUEL ON HAND 8436 GAL. USED 1299 GAL.  
 WEATHER; CLEAR, TEMP 54 DEG. DEW PT. 36 DEG. WIND WNW @ 5 MPH. VISIBILITY 10 MI.

06:00 SPUD 7 7/8" HOLE @ 07:00 HRS, 9/4/2010.

<b>09-06-2010</b>		<b>Reported By</b>		GLEN PRUET							
<b>DailyCosts: Drilling</b>	\$27,887	<b>Completion</b>	\$0	<b>Daily Total</b>	\$27,887						
<b>Cum Costs: Drilling</b>	\$462,109	<b>Completion</b>	\$0	<b>Well Total</b>	\$462,109						
<b>MD</b>	7,125	<b>TVD</b>	7,125	<b>Progress</b>	1,703	<b>Days</b>	2	<b>MW</b>	10.3	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** DRILLING @ 7125'

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRLG. F/5422' TO 6327' (905') 90.5 FPH. 52/54 RPM + 73 RPM ON MOTOR. WOB 19/20K. PUMP 456 GPM @ 120 SPM #2 PUMP, SPP 2300/2450 PSI, DIFF 330/360. DRLG.: CHAPITA WELLS F/5433'. DRLG.: BUCK CANYON F/6092'. FUNC COM F/DRILLING @ 5448'. MUD WT 10.3.
16:00	16:30	0.5	SERVICE RIG.
16:30	06:00	13.5	DRLG. F/6327' TO 7125' (798') 59 FPH. 58 RPM + 69 RPM ON MOTOR. WOB 20K. PUMP 429 GPM @ 113 SPM #2 PUMP, SPP 2150/2450 PSI, DIFF 240/460. DRLG.: NORTH HORN F/6632'. DRLG.: KMV PRICE RIVER F/7042'. FUNC COM F/DRILLING @ 6451'. MUD WEIGHT 10.6, VIS 35.

FULL CREWS. NO ACCIDENTS REPORTED.  
 SAFETY MEETINGS TOPICS; INSTALLING OUT RIGGER ON SUB. MAINTENACE & AWARENESS ON RIG.  
 FUEL ON HAND 6840 GAL. USED 1596 GAL.  
 WEATHER; CLEAR, TEMP 49 DEG. DEW PT. 19 DEG. WIND CALM . VISIBILITY 10 MI.

<b>09-07-2010</b>		<b>Reported By</b>		GLEN PRUET							
<b>DailyCosts: Drilling</b>	\$26,277	<b>Completion</b>	\$0	<b>Daily Total</b>	\$26,277						
<b>Cum Costs: Drilling</b>	\$488,387	<b>Completion</b>	\$0	<b>Well Total</b>	\$488,387						
<b>MD</b>	8,250	<b>TVD</b>	8,250	<b>Progress</b>	1,125	<b>Days</b>	3	<b>MW</b>	10.9	<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time:** DRILLING @ 8250'

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRLG. F/7125' TO 7674' (549') 52.28 PH. 58 RPM + 69 RPM ON MOTOR. WOB 20K. PUMP 429 GPM @ 113 SPM #2 PUMP, SPP 2150/2450 PSI, DIFF 240/460. DRLG. KMV PRICE RIVER F/7042'. (FUNC COM F/DRILLING @ 7142').
16:30	17:00	0.5	SERVICE RIG.
17:00	06:00	13.0	DRILLING F/7674' TO 8250' ( 576') 44.3'/HR. 54 RPM + 67 MOTOR RPM. WOB 18/21. # 1 PUMP 420 GPM @ 120 SPM, SPP 2408/2665 PSI, DIFF 144/363 DRLG KMV MIDDLE PRICE RIVER F/ 7732'. (FUNC COM F/DRILLNG @ 7736' ) MUD WEIGHT 11.2, VISCOSITY 38.

FULL CREWS. NO ACCIDENTS REPORTED.  
 SAFETY MEETINGS TOPICS; HOUSEKEEPING ON LOCATION. COMMUNICATION VERBAL JSA'S.  
 FUEL ON HAND 5358 GAL. USED 1482 GAL.  
 WEATHER; CLEAR, TEMP 43 DEG. DEW PT. 19 DEG. WIND 5 MPH WEST. VISIBILITY 10 MI.

<b>09-08-2010</b>		<b>Reported By</b>		GLEN PRUET					
<b>DailyCosts: Drilling</b>	\$31,095	<b>Completion</b>	\$6,686	<b>Daily Total</b>	\$37,781				

**Cum Costs: Drilling** \$519,482      **Completion** \$6,686      **Well Total** \$526,168  
**MD** 9,190    **TVD** 9,190    **Progress** 960    **Days** 4    **MW** 11.3    **Visc** 40.0  
**Formation :**                    **PBTD : 0.0**                    **Perf :**                    **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING @ 9190'

Start	End	Hrs	Activity Description
06:00	13:30	7.5	DRILLING F/8250' TO 8579' (329') 43.86'/HR. 54 RPM + 67 MOTOR RPM. WOB 18/20. # 1 PUMP 420 GPM @ 120 SPM, SPP 2400/2620 PSI, DIFF 145/363. DRLG. KMV LOWER PRICE RIVER F/8496'. (FUNC COM F/DRIILNG @ 8496') MUD WEIGHT 11.3, VISCOSITY 40.
13:30	14:00	0.5	SERVICE RIG.
14:00	06:00	16.0	DRILLING F/8579' TO 9190' (631') 39.43/HR. 48/52 RPM + 64 MOTOR RPM. WOB 20/23. # 1 PUMP 420 GPM @ 115 SPM, SPP 2230/2675 PSI, DIFF 160/440 DRLG KMV LOWER PRICE RIVER F/8496', SEGO F/8910'. (FUNC COM F/DRIILNG @ 8768') MUD WEIGHT 11.4, VISCOSITY 40.

RECEIVED 217 JTS(9166') 4 1/2" 11.60 N-80 LTC CSG.+ 3 JTS(44') 4 1/2" 11.60 P-110 MKR JTS.  
 FULL CREWS. NO ACCIDENTS REPORTED.  
 SAFETY MEETINGS TOPICS; FIRE WATCH WHILE WELDING. EYE PROTECTION.  
 FUEL ON HAND 3933 GAL. USED 1425 GAL.  
 WEATHER; CLEAR, TEMP 52 DEG. DEW PT. 46 DEG. WIND 5 MPH NNW. VISIBILITY 10 MI.

**09-09-2010**      **Reported By**      DAVID GREESON

**Daily Costs: Drilling** \$42,291      **Completion** \$0      **Daily Total** \$42,291  
**Cum Costs: Drilling** \$561,774      **Completion** \$6,686      **Well Total** \$568,460  
**MD** 9,210    **TVD** 9,210    **Progress** 20    **Days** 5    **MW** 11.5    **Visc** 40.0  
**Formation :**                    **PBTD : 0.0**                    **Perf :**                    **PKR Depth : 0.0**

**Activity at Report Time:** RUN 4.5" PROD CASING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILLING F/9190' TO 9210' (20') 20'/HR. 50 RPM + 64 MOTOR RPM. WOB 20-22K. # 1 PUMP 401 GPM @ 115 SPM, SPP 2200/2550 PSI, DIFF 160/440 DRLG SEGO F/8910'. (FUNC COM F/DRILLING @ 9207') MUD WEIGHT 11.5, VISCOSITY 40. *PUMPED 60 BBL HI-VIS SWEEP AND CIRC. BACK TO SURFACE W/ SMALL AMOUNT OF SHALE AND SAND. REACHED TD @ 07:00 HRS, 9/8/2010.
07:00	08:00	1.0	CIRCULATE BEFORE TOOH. SERVICE RIG AND DROP DEVIATION SURVEY.
08:00	11:30	3.5	TRIP OUT OF THE HOLE. TIGHT SPOTS AT 4987', 4456' AND 3182'. LESS THAN 30K DRAG.
11:30	12:00	0.5	LD ROLLER REAMERS. RE-TORQUE BHA.
12:00	15:30	3.5	TRIP IN THE HOLE WITH BHA #2. HOLE GIVES PROPER FLUID DISPLACEMENT WHILE RUNNING IN HOLE WITH DRILL STRING. TAG UP AT 9045', KELLY UP.
15:30	16:30	1.0	WASH AND REAM F/9050' TO 9210'. 120SPM ON PUMP#2. 454GPM, 55 RPM/73MM. 5 TO 20KWOB.
16:30	18:00	1.5	CIRCULATE FULL CIRC. PUMP HI-VIS SWEEP BACK TO SURFACE. NO NOTICABLE INCREASE IN SIZE OR VOLUME OF CUTTINGS FROM HI VIS SWEEP.
18:00	19:00	1.0	SHORT TRIP 5 STANDS TO 8751' AND BACK TO BOTTOM. NO FILL OR TIGHT SPOTS.
19:00	20:00	1.0	CIRCULATE BOTTOMS UP. HELD SAFETY MEETING W/ KIMZEY LD MACHINE CREW AND ALL ON LOCATION PRESENT. RU LD MACHINE. CASING POINT AT 20:00 9/8/10.
20:00	05:00	9.0	LD DRILL PIPE AND BHA WITH KIMZEY LD MACHINE. TIGHT SPOTS FROM 4490' TO 4475'. HOLE HAS PROPER DISPLACEMENT OF FLUID. BREAK KELLY.
05:00	05:30	0.5	PULL WEAR BUSHING OUT OF WELL HEAD.
05:30	06:00	0.5	RU KIMZEY PRODUCTION CASING RUNNING TOOLS. HELD SAFETY MEETING WITH ALL PRESENT OVER RUNNING CSG.

FULL CREWSDAYS/ ONE MAN SHORT NIGHTS DUE TO FLU.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETINGS TOPICS: LD DP/ RUN CASING.  
 FUNCTION RAMS, COM DRILLING AND TRIPPING.  
 FUEL ON HAND 3192 GAL. USED 741 GAL.

<b>09-10-2010</b>	<b>Reported By</b>	DAVID GREESON									
<b>DailyCosts: Drilling</b>	\$40,212	<b>Completion</b>	\$160,329	<b>Daily Total</b>	\$200,541						
<b>Cum Costs: Drilling</b>	\$601,987	<b>Completion</b>	\$167,015	<b>Well Total</b>	\$769,002						
<b>MD</b>	9,210	<b>TVD</b>	9,210	<b>Progress</b>	0	<b>Days</b>	6	<b>MW</b>	11.5	<b>Visc</b>	40.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time:** RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	13:00	7.0	HELD SAFETY MEETING W/RIG CREWS AND KIMZEY CASING CREW. R/U CASERS & RAN TOTAL OF 216 JTS 4 1/2", 11.6#, N-80, LTC CASING & LANDED @ 9204'. RAN CASING AS FOLLOWS; FLOAT SHOE @ 9204', 1 SHOE JT., FLOAT COLLAR W/LATCH DOWN ASSEMBLY @ 9160.4'. 215 JTS PLUS 2 MKR. JTS (21.33') TOP @ 7026.7' AND (20.76') @ 4436.3', CASING HANGER W/ 2 PUP JT (5.70') & (11.12'). RAN 3 TURBULIZERS, 1 - 5' ABOVE SHOE 1 EACH AND MIDDLE OF JTS 2 & 3. RAN 25 CENTRALIZERS STARTING ON JT #4 AND EACH 3RD JT. UNTIL GONE. TAG BOTTOM W/ JOINT #217 AND LAID IT BACK DOWN. LAND CASING W/ 85,000 ON HANGER.
13:00	14:00	1.0	CIRCULATE BOTTOMS UP THROUGH CASING STRING. RIG UP HALLIBURTON CEMENTERS AND HELD SAFETY MEETING WITH ALL PRESENT ON LOCATION OVER SAFE CEMENTING PRACTICES.
14:00	17:00	3.0	CEMENTING: TEST PUMP & LINES TO 5000 PSI & CEMENT CASING AS FOLLOWS; 20 BBLs MUD FLUSH, 10 BBL FRESH WATER SPACER, 159 BBLs (485 SKS) HIGHBOND LEAD CEMENT MIXED @ 12.0 PPG, 1.84 CU. FT/SK, 9.86 GAL/SK WATER. PLUS 330 BBLs (1260 SKS), EXTENDACEM V1 TAIL CEMENT MIXED @ 13.5 PPG, 1.47 CU. FT/SK, 6.98 GAL/SK WATER. WASH PUMP & LINES, LOAD & DROPPED TOP PLUG ONLY. DISPLACED WITH 142.0 BBLs FRESH WATER @ 6.0 BPM AVERAGE, BUMP PLUG W/2000 PSI OVER FCP OF 2000 PSI @ 3 BPM. HELD PRESSURE (4000 PSI) FOR 5 MIN. RELEASED PRESSURE, FLOW BACK 2 BBLs. RE PRESSURED UP TO 2000 PSI FOR 1 HOUR. PLUG DOWN @ 17:05 HRS 9/9/2010. FULL RETURNS DURING CEMENTING. CIRCULATED MUD FLUSH AND 120 BBL CEMENT TO SURFACE.
17:00	18:00	1.0	WAIT ON CEMENT ONE HOUR HOLDING 2000 PSI ON PLUG. RIG DOWN HALLIBURTON BUT HELD HEAD IN PLACE FOR ONE HOUR.
18:00	19:00	1.0	CLEAN STACK OF CEMENT AND BACK FLUSH ALL LINES. INSTALL PACK OFF RING ON WELLHEAD BY FMC TECH HAND AND TEST THE SAME TO 5K PSI. CLEAN PITS AND NIPPLE DOWN.  RIG MOVE FROM THE HOSS 130-35 TO THE ECW 77-23, 8.2 MILES.
19:00	06:00	11.0	RDRT.  TRANSFERRING 4 JT'S (168.22') 4.5" 11.6#, N-80 LTC PROD. CASING, 1 MARKER JT.4.5" 11.6#, P-110 MARKER (10.82') AND 2850 GL. FUEL TO THE ECW 77-23. LAYED OVER DERRICK @ 20:00 ON 9/9/10. RW JONES TRUCKS IN THE MORNING @06:00 ON 9/10/10.  FULL CREWS. NO ACCIDENTS OR INCIDENTS REPORTED. SAFETY MEETINGS TOPICS: RUN CASING/CEMENTING. FUNCTION RAMS AND COM TRIPPING. FUEL ON HAND 2850 GL. USED 342 GL.
06:00			RELEASE RIG AT 19:00 HRS, 9/9/10. CASING POINT COST \$590,412

**09-14-2010**      **Reported By**      SEARLE

**DailyCosts: Drilling**      \$0      **Completion**      \$29,300      **Daily Total**      \$29,300

**Cum Costs: Drilling**      \$601,987      **Completion**      \$196,315      **Well Total**      \$798,302

**MD**      9,210      **TVD**      9,210      **Progress**      0      **Days**      7      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD :** 9160.0      **Perf :**      **PKR Depth :** 0.0

**Activity at Report Time:** PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM 9134' TO 210'. EST CEMENT TOP @ SURFACE. RDWL.

**10-07-2010**      **Reported By**      MCCURDY

**DailyCosts: Drilling**      \$0      **Completion**      \$1,755      **Daily Total**      \$1,755

**Cum Costs: Drilling**      \$601,987      **Completion**      \$198,070      **Well Total**      \$800,057

**MD**      9,210      **TVD**      9,210      **Progress**      0      **Days**      8      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD :** 9160.0      **Perf :**      **PKR Depth :** 0.0

**Activity at Report Time:** WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

**10-22-2010**      **Reported By**      MCCURDY

**DailyCosts: Drilling**      \$0      **Completion**      \$853      **Daily Total**      \$853

**Cum Costs: Drilling**      \$601,987      **Completion**      \$198,923      **Well Total**      \$800,910

**MD**      9,210      **TVD**      9,210      **Progress**      0      **Days**      9      **MW**      0.0      **Visc**      0.0

**Formation :** MESAVERDE      **PBTD :** 9160.0      **Perf :** 8154'-9076'      **PKR Depth :** 0.0

**Activity at Report Time:** FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FRAC TANKS PRE MIXED W/ BIOCIDE (75) @ .05 GAL/M, WSI SCALE INHIBITOR (3730) @ 1 GAL/M.

STAGE 1. MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8737'-38', 8751'-52', 8751'-52', 8759'-60', 8794'-95', 8810'-11', 8831'-32', 8837'-38', 8846'-47', 8867'-68', 8872'-73', 8949'-50', 9060'-61', 9067'-68', 9075'-76' 2 SPF & 180 DEGREE PHASING. RDWL. MIRU HALLIBURTON, FRAC DOWN CASING W/8361 GAL 16# LINEAR W/10500# 20/40 SAND @ 1-1.5 PPG, 38418 GAL 16# DELTA 200 W/133100# 20/40 SAND @ 2-5 PPG. MTP 5810 PSIG. MTR 51.1 BPM. ATP 4944 PSIG. ATR 48.7 BPM. ISIP 3214 PSIG. RD HALLIBURTON.

STAGE 2. RUWL. SET 6K CFP AT 8710'. PERFORATE MPR/LPR FROM 8419'-20', 8424'-25', 8443'-44', 8470'-71', 8477'-78', 8528'-29', 8532'-33', 8542'-43', 8550'-51', 8569'-70', 8608'-09', 8680'-81', 8685'-86', 8691'-92' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7338 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 37844 GAL 16# DELTA 200 W/141000# 20/40 SAND @ 2-5 PPG. MTP 6184 PSIG. MTR 50.3 BPM. ATP 5609 PSIG. ATR 45.1 BPM. ISIP 3584 PSIG. RD HALLIBURTON.

STAGE 3. RUWL. SET 6K CFP AT 8390'. PERFORATE MPR FROM 8154'-55', 8165'-66', 8174'-75', 8203'-04', 8207'-08', 8236'-37', 8245'-46', 8272'-73', 8277'-78', 8284'-85', 8288'-89', 8328'-29', 8334'-35', 8370'-71' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 48511 GAL 16# DELTA 200 W/139400# 20/40 SAND @ 1-5 PPG. MTP 6557 PSIG. MTR 50.9 BPM. ATP 5280 PSIG. ATR 27.6 BPM. ISIP 3524 PSIG. RD HALLIBURTON. SFFN.

**10-23-2010**      **Reported By**      MCCURDY

**DailyCosts: Drilling**      \$0      **Completion**      \$359,888      **Daily Total**      \$359,888

**Cum Costs: Drilling**      \$601,987      **Completion**      \$558,812      **Well Total**      \$1,160,799

MD 9,210 TVD 9,210 Progress 0 Days 10 MW 0.0 Visc 0.0  
 Formation : MESAVERDE / WASATCH PBDT : 9160.0 Perf : 5381'-9076' PKR Depth : 0.0

Activity at Report Time: PREP TO MIRUSU FOR POST FRAC CLEAN OUT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	<p>STAGE 4. RUWL. SET 6K CFP AT 8128'. PERFORATE MPR FROM (7967'-68' MISFIRED), 7973'-74', (7977'-78' MISFIRED), 8006'-07', 8012'-13', 8022'-23', 8058'-59', 8068'-69', 8072'-73', 8098'-99', 8105'-06', 8108'-09' @ 3 SPF &amp; 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7427 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 27987 GAL 16# DELTA 200 W/91100# 20/40 SAND @ 2-5 PPG. MTP 5753 PSIG. MTR 51.7 BPM. ATP 4680 PSIG. ATR 48.8 BPM. ISIP 2942 PSIG. RD HALLIBURTON.</p> <p>STAGE 5. RUWL. SET 6K CFP AT 7944'. PERFORATE MPR/UPR FROM 7725'-26', 7731'-32', 7773'-74', 7777'-78', 7797'-98', 7805'-06', 7836'-37', 7848'-49', 7858'-59', 7869'-70', 7874'-75', 7900'-01', 7911'-12', 7922'-23' @ 2 SPF &amp; 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7434 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 41327 GAL 16# DELTA 200 W/143400# 20/40 SAND @ 2-5 PPG. MTP 6063 PSIG. MTR 51.5 BPM. ATP 4976 PSIG. ATR 48.1 BPM. ISIP 2760 PSIG. RD HALLIBURTON.</p> <p>STAGE 6. RUWL. SET 6K CFP AT 7694'. PERFORATE UPR FROM 7350'-51', 7383'-84', 7388'-89', 7404'-05', 7411'-12', 7428'-29', 7470'-71', 7509'-10', 7595'-96', 7606'-07', 7633'-34', 7652'-53', 7657'-58', 7673'-74' @ 2 SPF &amp; 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7395 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 37192 GAL 16# DELTA 200 W/129300# 20/40 SAND @ 2-5 PPG. MTP 6194 PSIG. MTR 50.4 BPM. ATP 4879 PSIG. ATR 48.9 BPM. ISIP 2853 PSIG. RD HALLIBURTON.</p> <p>STAGE 7. RUWL. SET 6K CFP AT 7278'. PERFORATE NH/UPR FROM 6990'-91', 7004'-05', 7027'-28', 7034'-35', 7038'-39', 7101'-02', 7106'-07', 7178'-79', 7185'-86', 7197'-98', 7221'-22', 7246'-47', 7252'-53', 7257'-58' @ 2 SPF &amp; 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7526 GAL 16# LINEAR W/9700# 20/40 SAND @ 1-1.5 PPG, 32967 GAL 16# DELTA 200 W/113600# 20/40 SAND @ 2-5 PPG. MTP 5927 PSIG. MTR 50.4 BPM. ATP 4435 PSIG. ATR 48.6 BPM. ISIP 3285 PSIG. RD HALLIBURTON.</p> <p>STAGE 8. RUWL. SET 6K CFP AT 6960'. PERFORATE Ba/NH FROM 6633'-34', 6656'-57', 6682'-83', 6746'-47', 6795'-96', 6798'-99', 6802'-03', 6859'-60', 6864'-65', 6873'-74', 6876'-77', 6879'-80', 6930'-31', 6937'-38' @ 2 SPF &amp; 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 9324 GAL 16# LINEAR W/11400# 20/40 SAND @ 1-1.5 PPG, 32652 GAL 16# DELTA 200 W/109700# 20/40 SAND @ 2-5 PPG. MTP 6185 PSIG. MTR 50.9 BPM. ATP 4784 PSIG. ATR 47.3 BPM. ISIP 3094 PSIG. RD HALLIBURTON.</p> <p>STAGE 9. RUWL. SET 6K CFP AT 6540'. PERFORATE Ba FROM 6156'-57', 6166'-67', 6261'-62', 6283'-84', 6396'-97', 6398'-99', 6407'-08', 6418'-19', 6425'-26', 6431'-32', 6493'-94', 6518'-19' @ 3 SPF &amp; 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 7540 GAL 16# LINEAR W/9700# 20/40 SAND @ 1-1.5 PPG, 19202 GAL 16# DELTA 200 W/51300# 20/40 SAND @ 2-3 PPG. MTP 6514 PSIG. MTR 50.2 BPM. ATP 5419 PSIG. ATR 50.2 BPM. ISIP 3539 PSIG. RD HALLIBURTON.</p> <p>STAGE 10. RUWL. SET 6K CFP AT 6115'. PERFORATE Ca/Ba FROM 5778'-80', 5831'-32', 5894'-95', 5897'-98', 5979'-80', 6007'-08', 6013'-15', 6019'-20', 6087'-88', 6094'-95' @ 3 SPF &amp; 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 6399 GAL 16# LINEAR W/8000# 20/40 SAND @ 1-1.5 PPG, 18302 GAL 16# DELTA 200 W/59500# 20/40 SAND @ 2-4 PPG. MTP 5976 PSIG. MTR 52.8 BPM. ATP 4059 PSIG. ATR 48.8 BPM. ISIP 1684 PSIG. RD HALLIBURTON.</p> <p>STAGE 11. RUWL. SET 6K CFP AT 5585'. PERFORATE Pp/Ca FROM 5381'-85', 5396'-97', 5398'-99', 5429'-33', 5524'-26', 5561'-62' @ 3 SPF &amp; 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/ 6377 GAL 16# LINEAR W/8000# 20/40 SAND @ 1-1.5 PPG, 20749 GAL 16# DELTA 200 W/69800# 20/40 SAND @ 2-4 PPG. MTP 4486 PSIG. MTR 50.7 BPM. ATP 3356 PSIG. ATR 49.8 BPM. ISIP 1987 PSIG. RD HALLIBURTON.</p> <p>RUWL. SET 6K CBP AT 5311'. BLED WELL TO 0 PSIG. RDMO CUTTERS WIRELINE &amp; HALLIBURTON SERVICES. SDFN.</p>

10-27-2010 Reported By HISLOP

DailyCosts: Drilling \$0 Completion \$24,683 Daily Total \$24,683  
 Cum Costs: Drilling \$601,987 Completion \$583,495 Well Total \$1,185,482

MD 9,210 TVD 9,210 Progress 0 Days 11 MW 0.0 Visc 0.0

Formation : MESAVERDE / WASATCH PBTD : 9160.0 Perf : 5381'-9076' PKR Depth : 0.0

Activity at Report Time: DRILL PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRUSU. ND FRAC TREE & NU BOP. PRESSURE TESTED BOP & BLIND RAMS TO 3000 PSIG. RIH W/ BIT & PUMP OFF SUB TO 5311'. RU TO DRILL OUT PLUGS. TESTED PIPE RAMS TO 3000 PSIG. SDFN.

10-28-2010 Reported By HISLOP/DUANE COOK

DailyCosts: Drilling \$0 Completion \$69,503 Daily Total \$69,503  
 Cum Costs: Drilling \$601,987 Completion \$652,998 Well Total \$1,254,985

MD 9,210 TVD 9,210 Progress 0 Days 12 MW 0.0 Visc 0.0

Formation : MESAVERDE / WASATCH PBTD : 9160.0 Perf : 5381'-9076' PKR Depth : 0.0

Activity at Report Time: FLOW TEST TO SALES/INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5311', 5585', 6115', 6540', 6960', 7278', 7694', 7944', 8128', 8390', & 8710'. CLEANED OUT TO PBTD @ 9160'. LANDED TUBING @ 99052' KB. ND BOP & NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED THROUGH TEST UNIT TO SALES. 13 HRS. 24/64" CHOKE. FTP 700 PSIG. CP 900 PSIG. 72 BFPH. RECOVERED 1004 BLW. 10986 BLWTR. 45 MCFD RATE.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB 0.91'

1 JT 2-3/8" 4.7# N-80 TBG 32.55'

XN NIPPLE 1.30'

277 JTS 2-3/8" 4.7# N-80 TBG 8998.71'

BELOW KB 19.00'

LANDED @ 9052.47' KB

INITIAL PRODUCTION: TURNED TO GAS SALES. SITP 650 & SICP 900 PSIG. TURNED WELL TO QUESTAR SALES AT 4:30 PM, 10/27/10. FLOWING 136 MCFD RATE ON 24/64" CHOKE. STATIC 190.

10-29-2010 Reported By HISLOP

DailyCosts: Drilling \$0 Completion \$3,053 Daily Total \$3,053  
 Cum Costs: Drilling \$601,987 Completion \$656,051 Well Total \$1,258,038

MD 9,210 TVD 9,210 Progress 0 Days 13 MW 0.0 Visc 0.0

Formation : MESAVERDE / WASATCH PBTD : 9160.0 Perf : 5381'-9076' PKR Depth : 0.0

Activity at Report Time: FLOW TESTING THROUGH BRECO UNIT TO SALES

Start	End	Hrs	Activity Description
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06:00      06:00      24.0 FLOWED THROUGH TEST UNIT TO SALES. 24 HRS. 24/64" CHOKE. FTP 550 PSIG. CP 600 PSIG. 54 BFPH.  
RECOVERED 1397 BLW. 9499 BLWTR. 120 MCFD RATE.

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

5. Lease Serial No.  
UTU76042

1a. Type of Well  Oil Well  Gas Well  Dry  Other  
 b. Type of Completion  New Well  Work Over  Deepen  Plug Back  Diff. Resvr.  
 Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name \_\_\_\_\_

7. Unit or CA Agreement Name and No. \_\_\_\_\_

2. Name of Operator **EOG RESOURCES, INC.** Contact: **MICHELLE E ROBLES**  
 E-Mail: **MICHELLE\_ROBLES@EOGRESOURCES.COM**

8. Lease Name and Well No.  
HOSS 130-35

3. Address **1060 EAST HIGHWAY 40**  
**VERNAL, UT 84078** 3a. Phone No. (include area code)  
 Ph: **307-276-4842**

9. API Well No.  
43-047-50708

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface **SWSW 696FSL 737FWL 40.07384 N Lat, 109.30115 W Lon**  
 At top prod interval reported below **SWSW 696FSL 737FWL 40.07384 N Lat, 109.30115 W Lon**  
 At total depth **SWSW 696FSL 737FWL 40.07384 N Lat, 109.30115 W Lon**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**

11. Sec., T., R., M., or Block and Survey  
 or Area **Sec 35 T8S R23E Mer SLB**

12. County or Parish  
**UINTAH** 13. State  
**UT**

14. Date Spudded  
**08/18/2010** 15. Date T.D. Reached  
**09/08/2010** 16. Date Completed  
 D & A  Ready to Prod.  
**10/27/2010**

17. Elevations (DF, KB, RT, GL)\*  
**5032 GL**

18. Total Depth: **MD 9210** **TVD**  
 19. Plug Back T.D.: **MD 9160** **TVD**  
 20. Depth Bridge Plug Set: **MD** **TVD**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
**RST/CBL/CCL/VDL/GR**

22. Was well cored?  No  Yes (Submit analysis)  
 Was DST run?  No  Yes (Submit analysis)  
 Directional Survey?  No  Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J55	36.0	0	2604		750		0	
7.875	4.500 N80	11.6	0	9204		1745		0	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	9052							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
<b>AWASATCH/MESAVERDE</b>	<b>5381</b>	<b>9076</b>	<b>8737 TO 9076</b>		<b>2</b>	
<b>B)</b>			<b>8419 TO 8692</b>		<b>2</b>	
<b>C)</b>			<b>8154 TO 8371</b>		<b>2</b>	
<b>D)</b>			<b>7967 TO 8109</b>		<b>3</b>	

26. Perforation Record **5381**

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
<b>8737 TO 9076</b>	<b>46,779 GALS GELLED WATER &amp; 143,600# 20/40 SAND</b>
<b>8419 TO 8692</b>	<b>45,182 GALS GELLED WATER &amp; 150,400# 20/40 SAND</b>
<b>8154 TO 8371</b>	<b>48,511 GALS GELLED WATER &amp; 139,400# 20/40 SAND</b>
<b>7967 TO 8109</b>	<b>35,414 GALS GELLED WATER &amp; 100,600# 20/40 SAND</b>

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
<b>10/27/2010</b>	<b>11/12/2010</b>	<b>24</b>	<b>→</b>	<b>82.0</b>	<b>654.0</b>	<b>460.0</b>			<b>FLOWS FROM WELL</b>
<b>Choke Size</b>	<b>Tbg. Press. Flwg.</b>	<b>Csg. Press.</b>	<b>24 Hr. Rate</b>	<b>Oil BBL</b>	<b>Gas MCF</b>	<b>Water BBL</b>	<b>Gas:Oil Ratio</b>	<b>Well Status</b>	
<b>24/64</b>	<b>SI 600</b>	<b>1400.0</b>	<b>→</b>	<b>82</b>	<b>654</b>	<b>460</b>		<b>PGW</b>	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			<b>→</b>						
<b>Choke Size</b>	<b>Tbg. Press. Flwg.</b>	<b>Csg. Press.</b>	<b>24 Hr. Rate</b>	<b>Oil BBL</b>	<b>Gas MCF</b>	<b>Water BBL</b>	<b>Gas:Oil Ratio</b>	<b>Well Status</b>	
<b>SI</b>			<b>→</b>						

**RECEIVED**  
**NOV 22 2010**  
 DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas(Sold, used for fuel, vented, etc.)  
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH/MESAVERDE	5381	9076		GREEN RIVER BIRDS NEST MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER	1744 1981 2649 4692 4832 5434 6124 7043

32. Additional remarks (include plugging procedure):  
Please see the attached for additional perfs and treatments.

33. Circle enclosed attachments:

- 1. Electrical/Mechanical Logs (1 full set req'd.)
- 2. Geologic Report
- 3. DST Report
- 4. Directional Survey
- 5. Sundry Notice for plugging and cement verification
- 6. Core Analysis
- 7 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #97641 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MICHELLE E ROBLES Title REGULATORY ASSISTANT

Signature \_\_\_\_\_ (Electronic Submission) Date 11/17/2010

*Michelle Robles*

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Hoss 130-35 ADDITIONAL REMARKS (CONTINUED):

**26. PERFORATION RECORD**

7725-7923	2/spf
7350-7674	2/spf
6990-7258	2/spf
6633-6938	2/spf
6156-6519	3/spf
5778-6095	3/spf
5381-5562	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

7725-7923	48,761 GALS GELLED WATER & 153,000# 20/40 SAND
7350-7674	44,587 GALS GELLED WATER & 138,800# 20/40 SAND
6990-7258	40,493 GALS GELLED WATER & 123,300# 20/40 SAND
6633-6938	41,976 GALS GELLED WATER & 121,100# 20/40 SAND
6156-6519	26,742 GALS GELLED WATER & 61,000# 20/40 SAND
5778-6095	24,701 GALS GELLED WATER & 67,500# 20/40 SAND
5381-5562	27,126 GALS GELLED WATER & 77,800# 20/40 SAND

PERFORATE LOWER PRICE RIVER FROM 8737'-38', 8751'-52', 8751'-52', 8759'-60', 8794'-95', 8810'-11', 8831'-32', 8837'-38', 8846'-47', 8867'-68', 8872'-73', 8949'-50', 9060'-61', 9067'-68', 9075'-76' 2 SPF.

PERFORATE MIDDLE PRICE RIVER/LOWER PRICE RIVER FROM 8419'-20', 8424'-25', 8443'-44', 8470'-71', 8477'-78', 8528'-29', 8532'-33', 8542'-43', 8550'-51', 8569'-70', 8608'-09', 8680'-81', 8685'-86', 8691'-92' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 8154'-55', 8165'-66', 8174'-75', 8203'-04', 8207'-08', 8236'-37', 8245'-46', 8272'-73', 8277'-78', 8284'-85', 8288'-89', 8328'-29', 8334'-35', 8370'-71' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER FROM (7967'-68' MISFIRED), 7973'-74', (7977'-78' MISFIRED), 8006'-07', 8012'-13', 8022'-23', 8058'-59', 8068'-69', 8072'-73', 8098'-99', 8105'-06', 8108'-09' @ 3 SPF.

PERFORATE MIDDLE PRICE RIVER/UPPER PRICE RIVER FROM 7725'-26', 7731'-32', 7773'-74', 7777'-78', 7797'-98', 7805'-06', 7836'-37', 7848'-49', 7858'-59', 7869'-70', 7874'-75', 7900'-01', 7911'-12', 7922'-23' @ 2 SPF.

PERFORATE UPPER PRICE RIVER FROM 7350'-51', 7383'-84', 7388'-89', 7404'-05', 7411'-12', 7428'-29', 7470'-71', 7509'-10', 7595'-96', 7606'-07', 7633'-34', 7652'-53', 7657'-58', 7673'-74' @ 2 SPF.

PERFORATE NH/UPPER PRICE RIVER FROM 6990'-91', 7004'-05', 7027'-28', 7034'-35', 7038'-39', 7101'-02', 7106'-07', 7178'-79', 7185'-86', 7197'-98', 7221'-22', 7246'-47', 7252'-53', 7257'-58' @ 2 SPF.

PERFORATE Ba/NH FROM 6633'-34', 6656'-57', 6682'-83', 6746'-47', 6795'-96', 6798'-99', 6802'-03', 6859'-60', 6864'-65', 6873'-74', 6876'-77', 6879'-80', 6930'-31', 6937'-38' @ 2 SPF.

PERFORATE Ba FROM 6156'-57', 6166'-67', 6261'-62', 6283'-84', 6396'-97', 6398'-99', 6407'-08', 6418'-19', 6425'-26', 6431'-32', 6493'-94', 6518'-19' @ 3 SPF.

PERFORATE Ca/Ba FROM 5778'-80', 5831'-32', 5894'-95', 5897'-98', 5979'-80', 6007'-08', 6013'-15', 6019'-20', 6087'-88', 6094'-95' @ 3 SPF.

PERFORATE Pp/Ca FROM 5381'-85', 5396'-97', 5398'-99', 5429'-33', 5524'-26', 5561'-62' @ 3 SPF.

## 52. FORMATION MARKERS

Middle Price River	7760
Lower Price River	8534
Sego	9106

**RECEIVED**

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SEP 01 2009

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU76042
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA Agreement, Name and No.
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 303-824-5526	8. Lease Name and Well No. HOSS 130-35
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWSW 696FSL 737FWL 40.07384 N Lat, 109.30115 W Lon At proposed prod. zone SWSW 696FSL 737FWL 40.07384 N Lat, 109.30115 W Lon		9. API Well No. 43 047 50708
14. Distance in miles and direction from nearest town or post office* 32.9 MILES SOUTH OF VERNAL, UT	11. Sec., T., R., M., or Blk. and Survey or Area Sec 35 T8S R23E Mer SLB	10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 696' LEASE LINE, 583' DRLG UNIT LINE	12. County or Parish UINTAH	13. State UT
16. No. of Acres in Lease 1880.00	17. Spacing Unit dedicated to this well 40.00	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1165'	19. Proposed Depth 9210 MD	20. BLM/BIA Bond No. on file NM2308
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5032 GL	22. Approximate date work will start	23. Estimated duration 45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) MARY A. MAESTAS Ph: 303-824-5526	Date 09/01/2009
Title REGULATORY ASSISTANT		
Approved by (Signature) <i>Stephanie J Howard</i>	Name (Printed/Typed) Stephanie J Howard	Date 10/21/09
Title Active Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

**CONDITIONS OF APPROVAL ATTACHED**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**NOTICE OF APPROVAL**

Additional Operator Remarks (see next page)

Electronic Submission #73848 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal  
Committed to AFMSS for processing by ROBIN R. HANSEN on 09/02/2009 ()

**UDOGH**

**RECEIVED**

**OCT 27 2009**

DIV. OF OIL, GAS & MINING

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

09GXJ1035AE

NOS 11-24-08



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: EOG Resources, Inc.  
Well No: HOSS 130-35  
API No: 43-047-50708

Location: SWSW, Sec. 35, T8S, R23E  
Lease No: UTU-76042  
Agreement: N/A

**OFFICE NUMBER: (435) 781-4400**

**OFFICE FAX NUMBER: (435) 781-3420**

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit was processed using a 390 CX tied to NEPA approved 3/1/2006. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 3/1/2011 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings to: <a href="mailto:ut_vn_opreport@blm.gov">ut_vn_opreport@blm.gov</a> .
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO<sub>x</sub> per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO<sub>x</sub> per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- Surface pipelines will be placed 5-10 feet outside of the borrow area.
- Move road to avoid prairie dog holes.

**DOWNHOLE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

**SITE SPECIFIC DOWNHOLE COAs:**

- A formation integrity test shall be performed at the surface casing shoe.
- Gamma Ray Log shall be run from Total Depth to Surface.

**Variances Granted**

**Air Drilling**

- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 75' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for truck/trailer mounted air compressors.
- Straight run blooie line. Variance granted for targeted "T's" at bends.
- Automatic igniter. Variance granted for igniter due to water mist.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to [UT\\_VN\\_Welllogs@BLM.gov](mailto:UT_VN_Welllogs@BLM.gov). This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location ( $\frac{1}{4}$  $\frac{1}{4}$ , Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.